



Daily Report

Latin America

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Castro Continues Tour of Santiago de Cuba Province

FL1105014793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 May 93

[Text] Yesterday, 9 May, Commander in Chief Fidel Castro continued his tour through Santiago de Cuba Province. Several electoral districts, where he was nominated as deputy to the National Assembly of the People's Government, were visited. The provincial Eduardo Mesa School for Deaf and Hearing Impaired Children and Youth, located in the city of Boniato, was also visited. Later, accompanied by (Elaida Perez), president of the People's Council, Fidel heard about the good progress being made on the school for blind children, currently under construction and projected to be finished in time for 26 July.

Fidel also toured the city and port of Boniato. He met with the people, visited houses, and congratulated mothers. He also met Fidelito, a three-month old child, who was born on 24 February, when the country was holding the historic general elections. Later, at the El Canon District, before a large number of residents, Fidel expressed interest in the health of the residents, none of whom have been affected by the epidemic neuropathy. He also spoke about the need to search for, in regions like Boniato, local solutions to current problems as a way to confront the special period.

Last night, Fidel held a working meeting in which Esteban Lazo, first secretary of the Santiago de Cuba Provincial Communist Party of Cuba committee; Public Health Minister Julio Tejas; vice ministers; Santiago de Cuba hospital directors; science specialists; and provincial leaders also attended. They analyzed the progress of the disease, tests, research, and surveys that are being made. Strategies were detailed, which should be adapted to each place and available equipment. They evaluated the treatment that patients, who are good and improving in general, are receiving.

They also appraised the climate of confidence, conviction, and willingness of all medical personnel in this battle against the epidemic neuropathy across the whole country.

Foreign Minister, Reporters Tour Guantanamo

FL1205013693 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 12 May 93

[Text] Foreign Minister Roberto Robaina has arrived in Guantanamo accompanied by approximately 40 foreign and Cuban journalists. News and television agencies, radio and press reporters from America, Asia, and Europe engaged in direct contact with the Guantanamo public, making the Ministry of Foreign Relations [Minrex] goal, that of having foreign policy come from the people, a reality.

The first thing seen from the observatory of Melones is the naval base. It is a reality imposed on the Cubans and

something that the international press says little about. The opportunity was available here and a lot of cassettes and rolls of film were used.

This throng of cameras, recorders, and microphones also visited the city of Caimanera. Robaina stated that contact with the real protagonists of Cuban foreign policy was freely established.

[Begin recording] [Correspondent Gladys Cubio] Is this a new style of diplomacy?

[Robaina] I think it is a diplomacy for the times. The only way to have an efficient foreign policy is for it to represent the history that these people live and the foreign policy they advocate. In special times, to achieve a diplomacy of the time, it must be special. [end recording]

The Minrex program also includes a special education school and plantain plantations with microjet irrigation systems. The first day of the tour took place without protocol or news conferences. Minrex is activating a program that, over all, allows for our reality to come through. The tour began in Guantanamo Province, where the Yarkes remain despite the Cubans' rejection.

Basic Industry Minister on Domestic Crude Oil Production

FL1205015793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 11 May 93

[Text] Basic Industry Minister Marco Portal said today that the great challenge of the Cuban chemical industry is assimilating and utilizing domestic oil in our energy system, which would be a considerable savings of hard currency. The head of the Ministry of Basic Industry [Minbas] stated that workers are intensely working to produce 1.3 million tons of domestic crude oil this year and that the country could save between \$50 and \$60 million by achieving an effective assimilation.

Chemindustry-93 will be in session at the Convention Center until 14 May and 400 projects of Cuban and foreign specialists will be discussed.

[Begin recording] [Orestes Garcia Leon, president of Chemindustry-93 organizing commission] It is a good opportunity for this exchange to verify what we are really doing, what others are doing, where the common ground is, and, above all, to search for cooperation between research and production centers in fulfilling all these tasks, which also have the characteristic of being applied research to resolve Cuban industry problems. [end recording]

A display of products and research in the chemical field is being exhibited at the Convention Center. Foreign firms, which trade with Cuba, and different Cuban enterprises are participating in the event.

Increase in Communist Party Membership Examined*PA1105144293 Havana Radio Havana Cuba in Spanish
0000 GMT 11 May 93*

[Commentary by Roberto Morejon]

[Text] The participation of the majority of the voting population in the 24 February elections and the participation of more than 1 million Cubans in the 1 May celebrations in Havana have demonstrated the support for the island's political path.

The large number of Cubans who have become members of the Communist Party of Cuba in 1992 also demonstrates that the Cubans and the political organization that rules society share common interests.

In 1992, during a period in which the island's standard of living became very acute due to an external factor, more than 40,000 Cubans, of which more than 50 percent are under 34, joined the party.

Abroad, Cuba is depicted as a place where chaos, neglect, and opposition to socialism prevail. The truth is very different. The fact that in 1992 43,863 Cubans joined the party following a rigorous selection process demonstrates that in today's world, where disenchantment exists over the failure of other socialist experiences, there are still many who believe in and support that political system. We are speaking, of course, of the largest of the Antillean Islands, which has been strengthened by a deepening of the people's democracy for which Cubans voted in the 24 February elections.

Official reports on the 1992 increase in party membership highlight the false nature of reports that the professional and intellectual sectors have turned their backs on the Cuban revolution. These reports indicate that 7,000 of the 43,863 new members of the Communist Party are citizens from that segment of society.

No one can make the false claim that there is unanimity or that no one is annoyed, irritated, or impatient due to the scarcities Cuba is facing during this special period. Any interpretation of this logical tension as a symptom of opposition to the political regime in the country and as a show of support for the return to capitalism, represents a regrettable error by Cuba's adversaries.

Those making this kind of interpretation will not be able to find any possible explanation for the television images that showed massive participation in the polls and at squares on 1 May. They will not be able to understand either the local media reports about the large number of people who joined the Communist Party in 1992: The new membership figure is the largest since 1980.

People's Councils' Self-Sufficiency Viewed*FL1205014893 Havana Tele Rebelde and Cuba Vision
Networks in Spanish 0000 GMT 12 May 93*

[Commentary by correspondent Omar Georg:—recorded]

[Text] The development reached by the rural People's Councils of Cienfuegos Province, since its creation in 1991, is an experience that the delegates from this province will discuss at the forthcoming sessions of the National Assembly of the People's Government. The People's Council have demonstrated their ability to solve community problems through collective effort and local resources. It has been a fruitful endeavor. The results range from the increase of communal self-sufficiency to the reduction of paperwork that the people have to complete far from their residences.

The potential of the People's Councils is inexhaustible. This tool of popular government, created during a difficult time, can contribute much to Cuba's effort to overcome present limitations. The domestic economy needs short- and medium-term self-sufficiency plans to be developed everywhere; every People's Councils assume the load that presently the state bears and which should have never become so complex as to reach the point that rural areas depended on centralized distribution of milk, eggs, tubers, and vegetables. This is why what has been accomplished so far is so significant, particularly what is still being done to free these institutions from as many state supplies as possible.

To satisfy this goal, the People's Councils are using every available reservoir to farm fish, to build small cattle farms to ensure each community has a supply of milk, to have the families supply themselves with vegetables, and even medicinal plants through home gardens in addition to collective self-sufficiency efforts, and by increasing the ties between local farmers and local markets. Self-sufficiency continues to be the main task of rural People's Councils.

Spanish Government Said To Grant Credit Estimated at \$40 Million*FL1105150593 Havana Radio Progreso Network in Spanish 1100 GMT 11 May 93*

[Text] Spanish sources in Havana have said that the Spanish Government has decided to grant Cuba credit estimated at \$40 million to purchase food. The terms and interest rate are yet to be established. They said that this credit is in response to Cuba's request for international aid for losses caused by the storm of the century.

Caracas-Santiago de Cuba Flight Inaugurated*FL1105193793 Havana Radio Rebelde Network in Spanish 2300 GMT 10 May 93*

[Text] In only two and a half hours, an MD-80 airplane of the Venezuelan Aeropostal Airline, with a capacity for

150 passengers, flew the distance between Caracas and Santiago de Cuba, inaugurating a regular flight four times per week to promote tourism between the Venezuelan capital and Santiago de Cuba. The event took place at the Antonio Maceo International Airport of Santiago de Cuba Municipality, where a modern instrument landing system, ILS, is being installed. This system can be used by any airplane that has this technology.

Representatives from the official tourism sector, businessmen, journalists, and Venezuelan travel agents, who have established agreements with the Cubanacan S.A. Corporation, formed part of this inaugural flight.

One of the organizers of the Cecilio Acosta Solidarity Committee also arrived aboard the flight. This solidarity committee is made up of Venezuelan journalists who have given different kinds of help to Cuba. As part of this help, medicine and surgical equipment were sent to Cuba aboard the airplane and in the near future they plan to send another shipment of 7 million books and notebooks.

Once a week, the Venezuelan Aeropostal Airline will also make a stop at the Jose Marti International Airport in Havana City to let off tourists.

Foreign Firms Could Begin Oil Explorations 'During Last Quarter of 1993'

PA1105221593 Havana Radio Havana Cuba in Spanish
0100 GMT 11 May 93

[Text] The first oil well drilling by foreign corporations in Cuba could begin during the last quarter of 1993. These operations are part of several concession agreements signed with the Cuban Government. Manuel Marrero, head geologist at the Basic Industry Ministry, reported that seismic studies have concluded at two of the sites under contract with foreign companies. Work will begin at several wells when site conditions are ready, which is expected to be during the last quarter of 1993.

In statements to PRENSA LATINA, the specialist said that work at the first drilling site, which is north of Cardenas, Matanzas, will be carried out by the French consortium (Total Sep), which recently merged with Talisman, a Canadian corporation. The second area, which borders with the first, will be exploited by Canadian Northwest Energy and Talisman. Studies continue in five of the 33 blocks into which the country has been divided in the search for oil. Marrero reported that so far the results have been encouraging and highly interesting, especially in the southern block in Ciego de Avila and Sancti Spiritus Provinces and in the marine areas where the Swedish corporation Taurus is operating. The head geologist of the Basic Industry Ministry said that according to available information on blocks where foreign firms are already working, there is a strong possibility of new discoveries of not only heavy crude but light crude as well.

As of 10 May five agreements have been signed for what is known as progressive production, which uses stimulation techniques such as acidification and fractionation. Cuban oil industry benefits include more than 20,000 highly qualified specialists and refining capacity for 77 million barrels.

Japanese Lion's Club Makes Donation as 'Demonstration of Solidarity'

FL1105153893 Havana Radio Reloj Network in
Spanish 1402 GMT 11 May 93

[Text] Residents of the Yamanigachi suburb of Tokyo, Japan, gave Cuban Ambassador to Japan Eduardo Delgado Bermudez a donation of \$130,000 as a demonstration of solidarity with Cuba. After a news conference held by the Cuban diplomat, the president of the local Lion's Club, (Estekuo Sakimura), presented the donation, which is the result of a campaign to help overcome the damages caused by the so-called storm of the century.

The organizers of this enthusiastic campaign in Tokyo announced that they would continue their actions in support of Cuba and that they would continue strengthening the ties between the two peoples. Delgado said that to the same extent that the U.S. blockade has intensified against our country generous people from all over the world stood up to lend support to a people struggling for a better future.

Foreign Minister Meets With French Communist Party Secretary General

FL1105015293 Havana Tele Rebelde and Cuba Vision
Networks in Spanish 0000 GMT 11 May 93

[Excerpt] Today, Foreign Minister Roberto Robaina met Georges Marchais, secretary general of the French Communist Party [PCF], who arrived in Cuba 9 May by invitation of the Communist Party of Cuba. This afternoon, Marchais visited scientific development centers in Havana City. Politburo member Jose Ramon Balaguer welcomed Marchais and his companion. Also present was French Ambassador to Cuba Raphael Dufour. The French communist leader, who has visited Cuba several times, will meet with Cuban leaders and tour several centers of interest during this visit before leaving on 15 May.

[Begin recording] [unidentified reporter] What are the goals for your visit to Cuba?

[Marchais] In the current situation, we think it is necessary to increase dialogue between both organizations and, above all, express and develop solidarity with the Cuban people, not just the communists but all French progressive forces. [passage omitted] [end recording]

CECE Minister President Arrives in Tunisia 11 May*FL1105222393 Havana Radio Reloj Network in Spanish 1938 GMT 11 May 93*

[Text] Today, Ernesto Melendez, Cuban minister president of the State Committee for Economic and Scientific-Technical Cooperation [CECE], arrived in Tunis to discuss issues of bilateral interest with Tunisian leaders.

Melendez was met at the international airport by Salah Hanachi, secretary of state to the Ministry for International Cooperation and Foreign Investment, other Tunisian Government leaders, and Cuban Ambassador Jorge Manfugas.

The CECE minister president is making a visit to Tunisia by invitation of this northern Africa government. This is part of increasing exchanges between both countries. Melendez will also meet with private businessmen to promote future ties with Cuban enterprises.

Correction to Laser Equipment Installed at Satellite Tracking Station*PA1105202593*

The following correction pertains to the item headlined "'Modern' Laser Equipment Installed at Satellite Tracking Station" published in the 10 May Latin America DAILY REPORT on Page 4:

Paragraph two, only sentence, make read: observation network for global positioning system projects [proyectos de servicio de rotacion de la tierra] that are used to keep the earth's reference clocks on time. (rewording for clarity)

Inter-Caribbean Affairs**Caricom Supports Plan for Multinational Police Force in Haiti***FL1105223093 Bridgetown CANA in English 2157 GMT 11 May 93*

[Text] St. George's, Grenada, May 11, CANA—Caribbean Community [Caricom] foreign ministers, meeting in Grenada, are giving support to a plan to establish a multinational police force to help with the restoration of law and order in Haiti after the reinstatement of the democratically elected government of exiled President Jean Bertrand Aristide.

"...The general view was support for that type of initiative as a necessary development and we are really looking forward to see some of these things unfold," Jamaica's Foreign Minister Paul Robertson told CANA after the ministers held a meeting with United Nations official Francesc Vendrell and OAS Assistant Secretary General Christopher Thomas. The OAS and the United Nations have been coordinating international efforts aimed at returning the Aristide government to power. Thomas and Vendrell told CANA there was no change in the OAS/UN position in relation to Haiti.

"It would seem that progress is being made and we are very optimistic that a solution will come within a discreet period of time," Robertson said.

The ministers were ending the two day meeting Tuesday night.

Haiti has been in a political crisis ever since the Army toppled Aristide in a 1991 coup.

Tourism Organization Issues Marine Environmental Declaration*FL1105185693 Bridgetown CANA in English 2248 GMT 10 May 93*

[Report by Mark Lee]

[Text] George Town, Grand Cayman, May 10, CANA—The Caribbean Tourism Organisation [CTO] is sending a message to the world that the region will not be tolerating the destruction of its environment from within or without. The CTO ended its third conference on eco-tourism here 7 May, with a Cayman Declaration which calls for unified laws and penalties against offenders, to safeguard the Caribbean marine environment.

The declaration was contained in a communique issued after the four-day meeting, which grouped more than 200 government, private, and non-governmental organisation delegates from the Caribbean and beyond, to help map a future for ecologically sound tourism. The conference also mandated the CTO to ask Caribbean governments to establish regional and national environmental advisory councils and to seek the cooperation of such bodies already in existence, in the proposed work programme.

The CTO has also been requested to establish a department or unit within its Barbados headquarters to liaise with government planners and investors such as the cruise industry to promote uniformity in legal and physical standards. Funding for the unit is to be sought from international funding agencies operating in the Caribbean.

There were impassioned moments at the meeting as delegates stated the importance of regional unity and the need for implementation of ideas rather than ending with mere talk.

"We need to make these meetings a working agenda. Every year, if we have no progress, I think we should stop (the meetings)," declared CTO boss Jean Holder.

When the Florida Caribbean Cruise Association spokesperson, Michelle Paige, announced a cruise lobby willingness "to be more concerned" about their operation in the Caribbean and its social, economic and physical impact, she got a spontaneous round of applause.

"We promise to work with all destinations because together we can achieve a lot," she said.

Earlier in the meeting, the cruise representatives had taken up a defensive position when confronted with concerns about the impact of their ships in the matters of marine pollution and their relatively low socio-economic impact on the populations.

Jamaican small hotelier, Diana McIntyre-Pike who chaired a working group on "the business of eco-tourism," emphasised that Caribbean people should take the lead in protecting the environment before seeking to sell the product or influence outsiders. The group identified a need for a particular "window" in government to fund investments in eco-tourism.

The spirit of cooperation was also emphasised here and was highlighted in the range of interests who were convened: business people, government tourism planners, dive operators, and media workers who were harnessed not in their traditional roles as news and features writers.

"If we have no collaboration on this, we will have no tourism in the Caribbean," said Pike.

American environmental educator, Laddie Akins, reported on the importance of managing of all the marine resources if the Caribbean Sea is to be protected. His working group proposed training of personnel, setting up a regional information clearing house which is to be run by the CTO; involvement of NGO's [Nongovernmental Organizations] and communities with governments in managing the resources, and a legal framework for such management.

"However, protection does not depend on legislation," he reminded, telling the delegates that the work must begin immediately or "we could end up waiting forever (for legislation)."

Trinidadian lawyer and University of the West Indies lecturer in environmental law, Christine Toppin-Allahar, iterated however, the importance of monitoring, arresting, and prosecuting those who desecrated the environment.

"I think law enforcement is a problem in the region," she said.

There are different levels of legal readiness in the various countries, she told CANA. Some have inadequate laws, there are overlaps in jurisdictions, and there are gaps in the system.

One delegate noted that based on an out of court settlement between a shipping company and government outside the region, the value of a reef was estimated at U.S. 32,000 dollars a foot and Toppin-Allahar is concerned that levels of fines in the Caribbean need to be looked at.

"A reef will not grow back in maybe 1,000 years," she said.

She questioned the region's surveillance capabilities, its availability of personnel who know how and why to arrest, and suggested training for marine police and coast guard officers. She said that to date there are no specialist prosecutors in the Commonwealth Caribbean where cases are presented by the Director of Public Prosecutions (DPP) or the police depending on the level of the offence.

"You can lose cases on how they are prosecuted. Are judges educated on chopping up a turtle?" She queried noting that such an offence could earn a reprimand and discharge.

"There are no 3,000 dollar fines and confiscating of boats...."

"There is a need to seriously look at reform in that area if we are going to achieve change," she said.

But perhaps her most succinct point was harmony of laws to prevent what she terms "the Bhopal Syndrome" where the culprit flees to a new jurisdiction when faced with measures to streamline his operations.

"We can't have operators playing us against each other.... And then skipping to neighbouring islands," she said.

Antigua and Barbuda

Ex-Trade Minister Announces Bid for ALP Leadership

FL1105231593 Bridgetown CANA in English 1990
GMT 11 May 93

[Text] St. John's, Antigua, May 11, CANA—The ruling Antigua Labour Party's [ALP] search for a new leader attracted a third candidate Tuesday with former Trade Minister Hugh Marshall announcing he was entering the contest. Marshall joined Information Minister John St. Luce and Foreign Minister Lester Bird in the contest which a party convention later this month will make a second attempt to decide.

The first attempt last year resulted in a dead heat with Bird and St. Luce each receiving the same number of votes from delegates at a special party convention. Subsequent attempts by party Chairman Adolphus Freeland to break the deadlock produced no result.

Marshall was Bird's campaign manager at last year's special party convention but there was a cooling of relations between the two men after Marshall fiercely criticised Public Utilities Minister Robin Yearwood during a parliamentary debate earlier this year.

Whoever emerges as the new ALP leader will lead the party in the next general election due next year and will succeed 83-year-old Prime Minister Vere Bird, who is retiring.

In a letter inviting journalists to a news conference on Thursday, Marshall said he would publicly announce his intention to contest the leadership of the ALP. Contacted by CANA, Marshall declined to comment on the letter, saying all questions will be answered at the news conference.

Marshall, the parliamentary representative for the constituency of St. Mary's South, served as a government minister from 1980 until he resigned in 1991 amid differences with outgoing Prime Minister Bird. Since then, he has been an outspoken backbencher in the House of Representatives where he has opposed several government bills which he said would have a negative impact on the people.

Haiti

Political Leaders Oppose Foreign Armed Intervention

FL1105212093 Port-au-Prince Radio Metropole in French 1600 GMT 11 May 93

[Italicized passages in Creole]

[Text] The Haitian political sector has begun to react to the announcement of an eventual deployment in Haiti of a peaceful force. The political leaders that we questioned oppose the deployment of such a force. The Nationalistic and Progressive Revolutionary Party of Haiti [Panpra] leader is opposed to the presence of such a police force. Senator Serge Gilles said that the country was not at war with anyone.

[Begin Gilles recording] We have always said that to solve conflicts, we favor talks and negotiations, without delaying tactics, which we have said in our latest publication. We have also said in our latest note that we oppose any foreign armed intervention whatever its name, whatever its shape.

We have always said that in solving conflicts we disagree with two things: sub-machine guns and necklacing. We are nonviolent. We are convinced that an armed foreign force will not solve the problem. In addition to that, to my knowledge, I do not believe that there is a civil war in this country. Yes, there are problems in this country but no civil war. I think that at this time there is room for negotiation, room for a broad national conference. Contacts are being made. We are for dialogue, for negotiation. Police force means armed force. We are against all armed forces on the national soil. Once it becomes an armed force, Panpra is very clear on this. *[end recording]*

For Volvic Remy Joseph, leader of the National Cooperative Action Movement, MKN, the sacred soil of the country must not be profaned by foreign policemen. He criticizes the protagonists of the crisis. Volvic Remy Joseph invites Haitians to join forces to defend the national honor while putting aside their personal ambitions.

[Begin Joseph recording] As the MKN leader, I oppose all interference in the foreign affairs [as heard] of the country. As far as I am concerned, Haiti is at peace. For me, the Haitian people only aspire to peace. I wish that everyone would remember that we had Capois Lamort, Dessalines, and Christophe [independence heroes] and all of them left us with the orders: If a foreigner comes to tread upon our native soil, we all know the reaction that we must have. We must put aside our ambitions for the moment to defend our country, because the country must come first, Haiti first. Thank you. *[end recording]*

Jean-Claude Bajeux, second in command of the National Congress of Democratic Movements, says his party could not support the arrival of foreign forces on the national soil. Jean-Claude Bajeux, who demands the return to constitutional order in Haiti, states that he is observing the degradation of the state.

[Begin Bajeux recording] We cannot be for it in the sense that Haitians cannot be happy about having outside people coming to solve our problems. We are for a civilian mission. We never spoke of a military force. We were in favor of a reform of the Army. We favor the separation of the police and the Army to allow for the reduction of the role of the Army in civilian life. Those are the points we are working on. For a foreign police force to come here, however, is something that we are surprised about. Such a thing shows the degradation of the Haitian State where major decisions are no longer in our control. The conclusion that we can draw from this is that the Haitian State is unable to assure the protection of its citizens.

From what I understand, it is not the people [peuple] that this police will come to protect. They are afraid that there will be revenge from the people [peuple] in case there is a reestablishment of a constitutional government and that there will be revenge from the people against the soldiers; therefore, it is the soldiers that this police force, according to what I heard, will come to protect. It shows then that we are in a situation where the force that should normally protect the citizen, meaning the Haitian Army, is unable to assure such a role. *[end recording]*

Fifth Parliamentary Session of 45th Legislature Closes

BCAC Parliamentarians Denounce ACP Members

FL1105192293 Port-au-Prince Signal FM Radio in French 1030 GMT 11 May 93

[Excerpts] There is talk about the treasury being in danger. During a news conference, seven Constitutionalist Anticorruption Bloc [BCAC] parliamentarians denounced the behavior of the Alliance for Parliamentary Cohesion [ACP] parliamentarians who help the authorities plunder the public coffers. We have just quoted BCAC Senate President Firmin Jean-Louis who declared the session held by the ACP parliamentarians to close the fifth parliamentary session of the 45th legislature illegal.

[Begin Firmin recording, in Creole] If a session was not opened, I do not think it can be closed. One cannot close something that was not opened. What is being done this morning does not have any importance in my eyes and I do not think it has much importance in the eyes of the Haitian population or even the international community. The men are blase. The men are dull. [passage omitted] [end recording]

The ACP parliamentarians proceeded to close the fifth parliamentary session for this year. This happened on 10 May. In his short speech, Senator Thomas Eddy Dupiton condemned the behavior of the foreign countries concerning the crisis which the country is now experiencing. He congratulated the parliamentarians for the work carried out during this fifth session. [end recording]

Assembly President Calls for 'Vigilance'

FL1105220093 Port-au-Prince Radio Metropole in French 1600 GMT 11 May 93

[Excerpts] The senators and deputies of the Alliance for Parliamentary Cohesion closed the fifth session of the 45th legislature on 10 May. On this occasion, Senator Thomas Eddy Dupiton, president of the National Assembly, denounced in his address the discriminatory character with which the Haitian case was being considered. He called on the vigilance of Haitian legislators. Ansy-Rose Resignac filed a report:

[Begin Resignac recording] We pray thee in the name of Jesus, your Son, Amen. It is with this prayer that the National Assembly session, which was held on 10 May by the legislators of the progovernment bloc, was opened to close what they consider the fifth session of the 45th legislature. If the religious legislators felt at home, the nonbelievers listened to this prayer with an inattentive ear.

On the contrary, it is with great attention that the senators and deputies followed the speech by the president of the National Assembly, a progovernmental bloc. The speech by Sen. Thomas Eddy Dupiton assessed the work done: seven laws voted upon during the past three months which, in his eyes, provide several judicial tools of high importance for the survival of the nation. Furthermore, he denounced the discrimination with which the file on the Haitian crisis is being considered. He applauded Parliament for not intending to approve any dealings that would violate the Constitution. [passage omitted]

Dupiton called on the vigilance of the legislators to face the current situation. The national anthem, which closed the session, asked of all, however: Dying for the country is beautiful. [end recording]

Jamaica

Opposition Labor MP's Take Oath of Office

FL1105225797 Bridgetown CANA in English 2201 GMT 11 May 93

[Text] Kingston, Jamaica, May 11, CANA—Seven of eight Jamaica Labour Party (JLP) Members of Parliament [MP's] including opposition leader Edward Seaga formally took the oath of office in Parliament Tuesday. JLP Chairman Bruce Golding was the only absentee as the JLP MP's took their places in the House of Representatives for the first time since the controversial 30 March election which the ruling People's National Party (PNP) won by a 52-8 majority.

The opposition has implemented a partial boycott of Parliament including the non-appointment of [words indistinct] at the conduct of the election which was marred by thuggery and fraud in some constituencies. Administrative bungling, which deprived some people of their franchise, was also a feature of the election.

Seaga has said that JLP MP's will be attending only the minimum number of sittings necessary under law, in order to keep their seats in the House of Representatives. Sworn in Tuesday were Seaga, Neville Gallimore, Mike Henry, Brascoe Lee, Derrick Smith, Audley Shaw, and Enid Bennett.

St. Lucia

Opposition's Hunte Announces Plans for Public Meetings

FL1105163693 Bridgetown CANA in English 1611 GMT 11 May 93

[Text] Castries, St. Lucia, May 11, CANA—St. Lucia's opposition leader Julian Hunte on Tuesday announced plans of a campaign-styled series of public meetings aimed at putting across his views on the government's 1993-94 budget.

Hunte, the leader of the St. Lucia Labour Party (SLP) along with five other parliamentarians, did not participate in the debate of the EC\$42.7 million dollar (one EC dollar - 37 US cents) budget, presented to Parliament by Prime Minister John Compton late last month.

The parliamentarians did not respond to a request by parliamentary Speaker Wilfred St. Clair Daniel that they participate in the budget.

Hunte later blamed the speaker for the chaotic and premature end of the debate, claiming the speaker had indicated that Hunte had lost his opportunity to debate the fiscal package.

But Hunte said there were at least three government ministers who did not respond to the speakers invitation.

In a statement here on Tuesday Hunte said he would hold "a series of indoor meetings in the various constituencies throughout the island".

"The purpose of these meetings is to discuss matters of national interest, with specific reference to the economy as it relates to the 1993-94 budget," the statement said.

It added the first meeting would be held in the traditional Labour Party stronghold of the rural village of Laborie.

Trinidad and Tobago

Government Declines To Negotiate on Damages to Muslim Coup Attempt Group

FL1105003193 Bridgetown CANA in English 2327
GMT 10 May 93

[Report by Linda Hutchinson]

[Text] Port-of-Spain, Trinidad, May 10, CANA—The Trinidad and Tobago Government has declined "as a matter of principle" to enter into negotiations involving the payment of compensation with a group which was involved in a 1990 coup attempt and to end all legal proceedings. The government is currently appealing a decision by a High Court judge to uphold an amnesty given to members of the Jamaat al Muslimeen as being valid and which subsequently led to their release.

"I have to inform you that the state is not prepared as a matter of principle to enter into negotiations involving the payment of compensation to your clients," Attorney General Keith Sobion said in a letter to one of the Muslimeen's lawyers, el Farouk Hosein.

"The state regards the issues raised by this appeal to be ones of great constitutional and public importance for Trinidad and Tobago which is receiving consideration by the Appellate Court."

In another letter obtained by CANA, lawyer Ramesh Lawrence Maharaj, representing the 114 Muslims told Sobion the former insurgents were prepared to forgo a portion of the damages to which they would in law be entitled to for two years wrongful imprisonment if it would conclude all legal proceedings.

"Our clients believe that the vast sums being spent by the state on legal proceedings could be better spent on the health, education, and welfare of the Trinidad and Tobago people," the letter stated.

"It follows that we are prepared to discuss a settlement of all matters arising from the acting president's pardon on the basis that our clients would be satisfied with only moderate damages for their unjust incarceration, in order that the expenses that the state will otherwise incur in prosecuting this appeal should be saved and used in more worthwhile public cause."

The coup attempt, which resulted in more than 20 deaths, started when gun-brandishing Muslims attacked a sitting of Parliament and held hostages including former Prime Minister A.N.R. Robinson and members of the then National Alliance for Reconstruction. During the failed coup, acting Prime Minister Emmanuel Carter signed an amnesty but lawyers for the state are arguing that it was signed because of pressure brought on Carter by the Muslims who were threatening to kill or seriously injure the hostages.

Sobion also told the Muslims no decision had been taken as to whether they would be re-arrested for offences arising out of the coup attempt, if government was successful in the appeal.

"The decision and intention is only capable of being properly made and formed when the result of the appeal is known," he remarked. Sobion also noted that the Muslims' leading lawyer in the appeal, Geoffrey Robertson, had already submitted that the exercise of the power of re-arrest would be an abuse of process. Sobion said since the issues were already raised, it should be dealt with by the court as additional matters to be ruled on.

The appeal which entered day five on Monday, the state's leading lawyer George Newman told Justices Sat Sharma, Mustapha Ibrahim, and Roger Hamel-Smith that a letter was written to the Director of Public Prosecutions [DPP] which threatened certain steps if the DPP continued in the current matter. Ewart Thorne representing the DPP, said he would address the court following Newman's submissions.

In the letter written to the DPP by Maharaj, the lawyer said the Muslims were concerned that Thorne's intention to address the court would strive to impugn the issue of the writ of habeas corpus which effectively had freed the Muslims after they won the constitutional motion in the lower court.

"If Mr. Thorne addresses the court in this matter, we will take it as a representation that the DPP is, both unconstitutionally and improperly, seeking to go behind the impeachable decision in the habeas corpus action.

"This has serious implications, both as evidence of collateral purpose and abuse of process in the present action, and as behaviour which is unbecoming of the holder of high constitutional office," the letter stated.

"We give you notice now that quite apart from the serious consequences in the case itself, if you seek to prosecute this appeal further, we shall in this event commence an action for damages and will hold you to any further liability...."

Maharaj said his clients were willing to forgo any claims for damages accrued, if the DPP replied, within 24 hours of delivery of the letter, that he was not taking any further part in the appeal. The DPP has not replied to the letter which was written last Thursday [6 May].

Mexico

Finance Secretary Requests 'Fair' Rules in International Market

PA0805031793 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 7 May 93

[Report by Irma Rosa Martinez in Washington]

[Text] Mexican Finance Secretary Pedro Aspe Armella requested on 6 May fair rules to compete in the international market, adding that the North American Free Trade Agreement [NAFTA] will support the country's economic reforms. NAFTA will support the implementation of changes in Mexico's economic policy, it was stated by Aspe in an analysis of the country's situation, which was presented to an Export-Import Bank, Eximbank, conference.

Aspe said Mexico also wants the chance to compete under fair rules. We want to create new jobs required by the country, export assets and services to the international market, and stop sending manual labor abroad, the official added.

Aspe was one of the main speakers at a luncheon offered on 6 May within the framework of an Eximbank meeting, which includes the participation of finance ministers from various countries, business leaders, and U.S. banking officials.

The Mexican official said Mexico will have an estimated 7-percent inflation rate in 1993 and the trilateral trade agreement will give the economy the necessary strength to encourage the generation of jobs and achieve economic growth.

Costa Rica

Foreign Minister Denies Government Hindering Integration

PA1105163293 San Jose Radio Reloj in Spanish 0100 GMT 11 May 93

[Text] Foreign Minister Bernd Niehaus Quesada has denied that Costa Rica is hindering integration. The foreign minister on 10 May said he was surprised by statements made by Roberto Herrera Caceres, secretary general of the Central American Integration System [SICA], to the effect that Costa Rica is hindering regional integration.

Niehaus sent a letter to Herrera stating: It is public knowledge that my country has actively promoted regional initiatives in favor of peace, democracy, development, and social justice in Central America.

The foreign minister reacted in this manner after it was learned in San Jose that Herrera Caceres had made statements urging Costa Rica not to hinder the process of regional integration.

Foreign Minister Niehaus stated that Costa Rica understands perfectly well the decisions made by various Central American countries promoting the acceleration of the process of integration and feels these are sovereign decisions of those nations.

Costa Rica's stand on this matter has been clear in the sense that integration should be a gradual and realistic process based on a respect for national interests, he added. Foreign Minister Niehaus emphasized that during the last three years, the Costa Rican Government has been participating in the negotiations attempting to define an instrument to reform the GATT and also participated in the negotiations that culminated late in 1991 with the signing of the Protocol of Tegucigalpa, which created SICA.

El Salvador

Cristiani Says Government Cannot Accept OIT Ratification

PA1105153993 San Salvador Radio Cadena YSU in Spanish 1800 GMT 10 May 93

[Text] President Alfredo Cristiani on 10 May said that the government cannot accept ratification of the International Labor Organization [OIT] agreements that guarantee a labor organization's right to organize and to strike. These OIT agreements are being debated in the Social and Economic Forum. The president said that these measures cannot be applied in El Salvador because they clash with constitutional laws.

Cristiani, who made these statements after inaugurating the reconstructed Benjamin Bloom Hospital building, also referred to the tour he will undertake with his regional colleagues through several Central American

nations within the framework of the Maya World Project. In addition, follow-up work will be done on the regional integration agreements. Here is what Cristiani said:

[Begin recording] [Cristiani] The agenda is always the same. What we attempt to do is to do follow-up work and see that the integration process progresses. It is logical that when initiating the implementation of certain customs and immigration standards to allow free transit of goods, as well as of persons, we will have to gain experience and improvements will be made as we travel along this new path. This is truly the goal of these meetings. Meanwhile, there are other objectives, such as the possibility of having a....

[Unidentified reporter, interrupting] [words indistinct]

[Cristiani] The issue of having a uniform customs system will not be implemented immediately; we must work together on this. The implementation must be made step by step. Nevertheless, the issue is always the same: integration.

[Reporter] [words indistinct]

[Cristiani] Well, up to now we have no word of a cancellation by anyone.

[Reporter] There was talk that the agreement was only among Guatemala, Honduras, Nicaragua, and El Salvador.

[Cristiani] The meeting on the 28th [May] is what they call in Managua the CA-4. Besides this, there is the possibility to take up with Honduras, Nicaragua, and El Salvador the Fonseca Gulf issue. Nevertheless, Guatemala will also be present for the meeting's primary goal.

[Unidentified moderator] Maribel Montenegro.

[Montenegro] Good morning Mr. President. In the past days, several sectors have expressed their desire for a change in the Constitution to solve the impasse being experienced in the Social and Economic Forum. What is your government's opinion on the work being done within the forum?

[Cristiani] We believe that progress is being made. Certain OIT agreements are being debated. The only problem we, as the government, see are those agreements that clash with the Constitution, which is the case because the OIT does not allow ratification of its agreements with reservations. It is not necessarily true that the whole agreement clashes with the Constitution; rather, it may be only some of its aspects. In this regard, I believe there are ways to overcome this. When an agreement cannot be ratified in its entirety, those principles that do not clash with the Constitution can be adopted in the secondary law; that is, transfer the discussion on those principles so that they may be incorporated under the Labor Code.

We recently learned that nations such as the United States have only ratified seven to nine of the approximately 160 OIT agreements. Nevertheless, the OIT acknowledges that many of the principles included in the agreements fall within the U.S. laws. It is not as important to ratify the total agreement as it is to incorporate the principles that do not clash with the Constitution. We believe that a solution can be reached in this manner.

[Reporter] How would the Constitution have to be reformed to ratify the agreements?

[Cristiani] We believe that the Forum is the result of the peace agreements. The constitutional reforms already took place within the peace agreements. This Constitution was ratified in April 1991. We believe that any sector can act independently, according to its beliefs. Nevertheless, within the context of the peace process, we cannot talk about another constitutional reform. This issue was already dealt with and concluded.

[Moderator] Hilda Quijano.

[Quijano] Mr. President, has the government made any progress on the protection fund, or compensation fund, for the victims of the conflict?

[Cristiani] Yes, we are studying several aspects about the identification of those who are eligible to receive the benefits of this fund. This is the most difficult part and it was not anticipated in the Truth Commission report because it only dealt with certain events. They clearly stated their report was only an example. This is the most difficult part and, obviously, resources are limited. Nevertheless, we are trying to form a fund of this nature.

[Quijano] What characteristics are being considered and how much would the government contribute to the fund?

[Cristiani] This has yet to be defined, first of all because we have yet to reach a conclusion on who might benefit from this type of fund. This will determine the size of the fund. In other words, this is a secondary point rather than a primary one.

[Quijano] (You must have), however, basic guidelines to identify these people.

[Cristiani] Logically, they or their families must have suffered some kind of harm during the conflict.

[Moderator] Rene Flores.

[Flores] Good morning, Mr. President. My question deals with the land issue. Disabled people are scheduled to gather in front of the Presidency this week to demand a solution to this problem. What has your government planned?

[Cristiani] You talk about disabled people, but you initially talked about land. What are you talking about?

[Flores] Basically, the issue about the land that will be given to disabled people and, specifically, about the aid they will receive.

[Cristiani] This is part of a bill sent to the Legislative Assembly and it is now working on the regulations for this law. There are various specific programs so those disabled during the war will be able to become part of our society. In fact, some programs are now operational through the Armed Forces to assist former Armed Forces members. This is being handled by the Armed Forces Social Welfare Institute. Another program, the [name indistinct], is in charge of disabled Farabundo Marti National Liberation fighters. The main problem is to establish the regulations to the law approved earlier this year by the Legislative Assembly.

[Moderator] Silvio Rodriguez.

[Rodriguez] Mr. President, two questions. One deals with the socioeconomic forum. We have learned the government refuses to (?ratify) the agreement that grants state and public workers the right to strike and organize themselves. According to some workers, the private sector supports the government so no progress has been achieved. My question is this: What is the government's position? Would it be willing to accept the agreement and to accept the organization of certain public workers?

The second question deals with the Army. Have discussions begun on identifying the officers, now holding ranks below that of General Ponce, who will occupy the positions that range from defense minister to chief of the joint chiefs of staff. What criteria will the government use to make these appointments?

[Cristiani] Regarding your first question, if you analyze the OIT agreement on the public employees unions and their right to strike, you will see it contradicts the Constitution. The government cannot approve or submit for approval an agreement that counters the Constitution. As I said before, the matter dealing with constitutional amendments, within the framework of the peace agreements, has been completed. That is why we cannot ratify this agreement. I want to make it clear there is nothing stopping public employees from unionizing. They can do so following the provisions outlined by the law on this kind of association.

Regarding the second question, we will consider, of course, the capacity and professionalism of the different officers, as well as their aptitude to hold high-ranking command posts. [end recording]

The president added that the status of the OIT agreements to be implemented in our country will remain under review. An OIT delegation is expected to arrive in a few days to check on the conditions of the Salvadoran social sector. At the conclusion of his news conference, Cristiani said the U.S. Government accepted the request to expand the period illegal Salvadorans can stay in that country, but did not go into details. Attending the inauguration of the new Benjamin Bloom Hospital were representatives from different state secretariats and the German Government, which financed the project to rebuild the hospital damaged by the 10 October 1986 earthquake.

Russian Charge Begins Contacts for Commercial Exchange

PA1105195193 San Salvador Canal Doce Television in Spanish 0300 GMT 11 May 93

[Text] The Russian charge d'affaires on 10 May made the first contact with a group of Salvadoran businessmen to begin commercial exchange between the Russian Federation and our country.

The interest of the Russian Federation in exchanging products with El Salvador is because Central America is considered a potential center of commercial development, following the political transition experienced in each of its countries.

[Begin Yuriy (Shemelin), Russian charge d'affaires, recording] We consider [words indistinct] the right time to increase our exports because it is a region of rapid development. It also gives us the possibility to [words indistinct] and receive some kind of [word indistinct] assistance. [end recording]

(Shemelin) noted the interest of the Russian Federation in trading products in the areas of textiles, shoes, sugar, coffee, and general consumption products. Meanwhile, Russia may offer agricultural machinery, buses, and electrical plants.

The meeting, held on 10 May, was attended by business officials and officials of the AFI [expansion unknown], with whom dates and appropriate mechanisms will be established in the short term to begin commercial exchange. This will give greater economic perspectives to El Salvador.

Guatemala

Serrano Says Election Returns Should 'Quiet' Opponents

PA1105140393 Guatemala City SIGLO VEINTIUNO in Spanish 10 May 93 p 2

[Text] President Jorge Serrano Elias said on 9 May that the preliminary returns of the municipal elections, which reflect a landslide victory for the ruling Solidarity Action Movement, MAS, should "quiet" those who insulted him and made his administration the target of unbridled attacks.

Serrano proclaimed his party's victory at 2230 hours on 9 May, shortly before the Supreme Electoral Tribunal announced the preliminary official returns. The president said that, according to the figures compiled by his party headquarters, MAS had won over 100 mayoral posts, which constitutes five times as many of the 14 municipal agencies that have been controlled by the ruling party thus far.

The results of the elections signifies for the president the consolidation of the remaining two years of his government and reiterates the confidence and support of the

people for his administration and his government team. He said that this electoral victory consolidates the MAS as the largest and best organized party in the country because it has municipal control.

The president did not give much importance to the marked low voter turnout, commenting that midterm elections always have a smaller turnout.

He also believes that this result is not a barometer for the 1995 elections, because those elections will have different characteristics. We are not obsessed with winning the 1995 elections, because our main interest is to carry out a good government, he said.

In a televised interview, President Serrano lashed out against Ramiro de Leon Carpio, human rights ombudsman, who continually makes statements that displease the government.

Serrano described the ombudsman as a defender of criminals. He accused him of not abiding by the constitutional rules and laws of the country in making his statements.

He complained about the actions of student organizations, because they stage demonstrations that lead to acts of vandalism.

Human Rights Commission Reports on Clandestine Jails

PA1105023193 Guatemala City PRENSA LIBRE in Spanish 10 May 93 p 4

[Text] The existence of clandestine jails at military bases in some departments and the Mobile Military Police [PMA] facility in the capital was reported by the Guatemalan Human Rights Commission [CDHG] to the United Nations and the OAS.

CDHG coordinator Oswaldo Enriquez, who is participating in a forum on the Truth Commission, reported that there are testimonies from approximately 80 guerrilla fighters who were captured by the Army. They said there are prisoners at the PMA facility in the capital and military bases in some departments, where they were taken.

Enriquez said that the reports sent to the United Nations and the OAS in March 1993 indicate the guerrilla fighters held prisoners by the Army saw Bamaca Velasquez, alias Commander "Everardo," who was captured by the Armed Forces—although it was officially reported that he had died in combat.

The guerrilla fighters said they saw him in August 1992 at the San Marcos military base, where some of them were detained. The CDHG requested preventive measures on behalf of Everardo's wife, who is at Harvard, so his life is respected.

Enriquez added: Nevertheless, there has been no reply concerning the request for preventive measures. Meanwhile, repressors feel protected by the state impunity system because there are no paramilitary bands in Guatemala—only a repressive system to perpetrate a series of human rights violations.

Nicaragua

National Conservative Party President Remarks on National Dialogue

PA0805034793 Managua Radio Corporacion in Spanish
2200 GMT 7 May 93

[Interview with Roger Mendieta Alfaro, president of the National Conservative Party, PNC, by Justo Rufino Meneses in Managua on 7 May—live or recorded]

[Text] [Meneses] We will talk with National Conservative Party [PNC] President Roger Mendieta Alfaro about the national dialogue. What is your opinion of the dialogue? Is there a possibility of finding a solution? On what issues is the government expected to give in? Will the people or the government win in the end?

[Mendieta] The PNC believes the dialogue is the only viable solution to Nicaraguan problems. The party has requested the dialogue since May 1992, and it was perhaps the first party to issue a public appeal to the government, asking it to summon a national dialogue and give the Nicaraguan people the opportunity to find a way out, a solution to their problems.

I think the first phase of the dialogue in which we participated on Monday, 3 May, with the National Opposition Union [UNO] political council—we participated on behalf of the PNC and UNO—was a success. We explained to the Executive Branch we had to hold a dialogue, and we outlined the motives shared by UNO and the political parties which comprise it. Those who participated in the dialogue said they intended to get positive replies that benefit the people and pull out Nicaragua from this political, social, economic, cultural, and general inactivity—to enter another phase, a positive phase.

We must review security issues, land ownership issues, the reorganization of the state's branches, and series of demands. Judging from a communique issued by the Presidency of the Republic, there is a consensus regarding the demands outlined in the agenda from the parties which comprise UNO.

Consequently, I feel optimistic and the PNC believes this is the only solution. Nicaraguans must exert themselves to the utmost in this dialogue so we may give a solution to the Nicaraguan people who are suffering poverty, neglect, hunger, lack of productivity, unemployment, and so forth.

[Meneses] Dr. Mendieta, we have heard an event will soon be held in Nicaragua with the participation of all the Conservative Parties in Central America. What can you tell us about this?

[Mendieta] Well, yes, there is concern at the Central American level and in approximately two weeks the Conservative Parties in Central America will attend an event to establish an alliance among the Conservative Parties, which will become the Central American Conservative Bloc. You know very well the governments of Guatemala, El Salvador, and Honduras are part of Conservative International at the world level and they want to strengthen these ties. We are part of the international conservative union and we want to strengthen those political ties through a world alliance. The idea is to strengthen the Central American countries' democratic future and continue all the efforts being exerted in Central America. We are brothers in this political organization and I believe Costa Rica and Panama will be represented there.

Council Recognizes Nicaraguan Resistance Party

PA0805205593 Managua BARRICADA in Spanish
8 May 93 p 12

[Text] After a year and a half of work and with the presentation of the documents stipulated by the Electoral Law, the Nicaraguan Resistance Party, PRN, [Partido Resistencia Nicaraguense] was officially recognized on 7 May. The corresponding resolution was presented to party officials at the offices of the National Council of Political Parties, CNPP, at 1000 on 7 May.

In the presence of CNPP officials, PRN Board of Directors and members—several who came especially from Miami to attend the event—and domestic and foreign journalists, CNPP Technical Director Jose Luis Villavicencio read the resolution. After that, CNPP President Hugo Mejia Briceno gave the document to PRN Secretary General Luis Fley, alias Commander Johnson.

The prolonged PRN party registration process—from 7 November 1991 to 7 May 1993—was due to the requirements stipulated in Article 70 of the Electoral Law and that several PRN board members did not register during the past elections.

In the case of board members who did not have a certificate of demobilization from the Commission of Support and Verification-OAS, the CNPP finally decided to accept as valid an official statement from their former military commanders stating that said members had a justifiable reason for having failed to comply with their constitutional duty to register.

Other reasons that delayed the process to legalize the party were: The PRN was one of two parties (the other is the Nicaraguan Democratic Alliance Party) that had to comply with the Electoral Law exactly. The PRN members erroneously interpreted the agreements on demobilization as they thought that the offer made by the

government to legalize the political party exempted them from complying with the mentioned law.

A National Opposition Union [UNO] representative did not attend the event on 7 May. The ceremony ended with the placing of a PRN flag along side the flags of the 23 parties that have been legally recognized by the CNPP. In the afternoon, a celebration was held at the PRN installations.

Fley told reporters that the new party's first mission would be to participate in the October 1994 elections for the Nicaraguan deputies to the Central American Parliament. He also advanced that they will participate in the regional elections for the Atlantic autonomous regions to be held in May 1994. Fley rejected the possibility of an alliance with UNO for now. The PRN leader also said "there is no justification for another war," although the former contra combatants are "disappointed with the government."

Panama

Comptroller General Sends Endara, Assembly Letter on Public Finances

PA1105045393 Panama City LA PRENSA in Spanish 9 May 93 p 21a

[Letter from Comptroller General Ruben Dario Carles to President Guillermo Endara and Legislative Assembly President Lucas Zarak in Panama City; date not given]

[Text] In compliance with legal provisions, we present to you the report on the behavior of public finances at the end of the first quarter of 1993. This information, which appears in the attached documents, also includes the public sector's budget implementation and the central government's financial results.

Regarding this, we must make the following observations:

1. The situation of the Panamanian economy shows evident signs of a satisfactory performance. For the third consecutive year, the economy shows a growth rate that surpasses the gross domestic product figures in most of the countries of the continent.

2. The country's recovery continues, both in material and institutional aspects. We have also advanced in the effort to improve public finances and consolidate reasonable fiscal discipline. The results of the three last fiscal periods have been satisfactory.

3. The country is advancing financially within a system of absolute freedom, although not all sectors consider that their aspirations have been satisfied. It is evident that there is progress, although we recognize that unemployment and poverty continue in many sectors. We know that we cannot please everyone, but with the limitations imposed by reality, the country is progressing.

4. We are facing very delicate situations such as: the burden of the enormous public debt; drug trafficking; and the need to take measures to guarantee the effective transition of the canal to the Panamanians, beginning with the reverted areas and then the administration; and operation of the Interoceanic waterway. We also have the problem of the future U.S. withdrawal from the military bases, which will demand a decision from the Panamanian people.

5. The existence of the enormous public debt, inherited from previous governments, demands that the Panamanians understand well its scope and significance because, every day, with the absence of external resources, the debt burden falls with greater impact on the public finances. This situation will worsen in the future when we will have to face the commitments with the commercial banks and the San Jose Pact [on the supply of petroleum].

6. As we had foreseen, the favorable effect of the donations that we received from the U.S. Government in 1990 has been reduced with the passage of time. Likewise, we no longer have the benefit of the 134 million balboas originating from the revenue that the U.S. Government withheld from the Panamanian Government in 1987, 1988, and 1989. Things are different now and in the absence of external resources in the form of international institutions' credits to be included in the national budget, the state expenditures must be met in the most part with its own resources. It is also not easy to resort to domestic credit.

7. Only if the economy grows and we generate the necessary resources—the product of economic expansion—can we meet the debt obligations and the state operation expenses.

8. In view of the lack of foreign loans, the investment possibilities will only be possible by means of domestic savings by spending less of what we have as revenue.

9. The situation will become more difficult as the tendency to increase public expenditures continues, especially the increase in the payroll, which represents an enormous pressure. To a great extent, this is due to the special laws, which establish automatic wage increases and adjustments in the public and decentralized sector.

10. As we mention in a separate section of this report, the increases authorized in the central government payroll during the first quarter of 1993 will endanger the granting of the basic services the community demands and will force cuts and sacrifices if tax collection is not improved.

11. Revenue targets forecasted for the first quarter of the year were not reached. This situation gets more complicated as a result of problems that we are having with current balances due to the fact that the government did not receive the 92.7 million balboas expected to have been received during the first quarter of the year. These are funds owed by the decentralized institutions to the

government as result of the government having canceled their outstanding balances with the IFIS [International Financial Institutions] during early 1992. This situation complicates the government's cash balance position, which in the revenue budget for 1993 appears as income.

12. The government cannot refrain from receiving funds owed by the decentralized institutions. The institutions' outstanding balances were settled in good faith by the government. Bills outstanding are not part of government's cash balances, and the government cannot pay its expenses with receipts outstanding, but with cash.

13. There is also the problem that projects included in the investment budget must be financed through loans. If these loans are not disbursed, then the projects will never be initiated.

14. Up until 31 March 1993, the government was still expecting to receive 42.0 million balboas, which represents the last part of donations to be received from the United States. This was included in the 1992 budget. These funds have already been earmarked, but have not yet been received because certain details included in the condition agreement are still pending. These funds are needed in order to cover transfers made by the national government during the years 1990, 1991, 1992, and the first quarter of 1993 as result of obligations agreed in the Employment Generation Program (P.G.E.). Therefore, these funds do not constitute additional revenues for the current year.

15. The government has continued to honor its commitments with the IFIS. During the first quarter of this year it made a principal repayment of 26.4 million balboas, and 19.1 million balboas in interest.

16. As a result of external funding limitations, effort must be taken to increase internal savings. This will be the mechanism through which we will be able to ensure the investments the country needs. It has already been done successfully during 1990, 1991, and 1992.

17. During the first quarter, contracts totaling 35.4 million balboas were approved. As a result, 2,134 contracts valued at 326.2 million balboas have been approved since 1 January 1990-31 March 1993.

18. Income levels, which are subject to seasonal fluctuations, have been affected by the economic and fiscal policy evidenced in the reduction and elimination of some taxes, the payment of subsidies to some sectors and pressure groups, as well as the increase in spending, as occurred with the growth of the state payroll. These facts are covered in other sections.

19. After a prolonged process, the Executive Branch arrived at a decision with respect to the use of part of the funds included in restricted accounts, which up until 1989 existed as a support to the 931.7 million balboas overdraft account established by the previous government. The National Bank of Panama had extend this account to the government. As result, additional credits

valued at 16.9 million balboas were authorized by means of three resolutions. This will allow the institutions that own the restricted accounts to use the surplus balances corresponding to the year 1990 and 1991. At the same time, these institutions will be able to repay the National Bank of Panama by debiting the overdraft account the balances outstanding as of 31 December 1989.

20. In an effort to reorder its public finances, the national government has authorized the emission of title certificates to pay salaries, bonuses, wage adjustments and, accumulated holiday pay. These are obligations owed to public workers covering the period prior to 1989. Legal endorsements have already been issued and administrative steps have already been taken that would make the title certificates effective.

21. During the first three months of the year, the government has taken the necessary steps to find a solution to outstanding balances in arrears still pending with Venezuela and Mexico as result of the San Jose Pact, better known as the oil debt. Likewise, initial steps have also been taken with the commercial banks in order to gauge the possibility of future arrangements that will be conditioned to the availability of resources. This will not be possible during 1993, and available possible options must also be carefully taken into account.

Respectfully yours,
Ruben Carles,
Comptroller General

Security Organizations Said To Discover 'Network of Conspirators'

PA1105231493 Panama City LA ESTRELLA DE PANAMA in Spanish 11 May 93 p A1

[Report by James Aparicio]

[Text] Security organizations that have been on alert since the foiled 23 April terrorist attack in Boquete, Chiriqui Province, have reportedly discovered a network of conspirators formed by civilians and retired military officers and policemen against President Guillermo Endara's administration, a high-ranking official source reported.

Approximately 25 people are involved in the seditious plot. They are members of a complicated network suspected of having participated in most of the attacks perpetrated in the country after 20 December 1989, including the Boquete attack.

Corporal Gabriel Aguirre Guerra was blown to pieces at the Flower Fair in Boquete on the evening of 23 April, one day before the progovernment Arnulfist Party's convention attended by President Guillermo Endara.

Among those arrested is cattle rancher-businessman Erick Antonio Staff, alias Bocho, who was arrested on 6 May at his home in David District, Chiriqui Province.

Felix Perez, 5th Circuit Court prosecutor in Chiriqui, is investigating the alleged terrorist plot. The Murgas and Murgas law firm has undertaken Staff's defense.

LA ESTRELLA DE PANAMA has unofficially learned that among those arrested are Pedro Pitty and Argentine citizen Lucas Castillo.

An alleged officer named Alberto Barrios is a fugitive from justice.

Civilians Jose Isabel Estribi, Ricaurte del Jesus Castillo, and Aida Esther Espinoza were questioned during the week of 2 May by Perez, according to a ruling by the Higher Court of the Chiriqui 3d Judicial District declaring legal Staff's arrest for involvement in a criminal action.

Staff was supposedly in charge of the logistics of the plan.

According to the court, an addendum to Jose Isabel Estribi's sworn declaration implicates retired Colonel Eduardo Herrera, currently imprisoned at El Renacer Jail, in the plan.

Herrera has been accused of an attempt against state security and involvement in the plan to murder President Guillermo Endara, also called "the plan to assassinate the fat guy."

Supreme Court Plenum Opens Case Against Attorney General Cruz

PA1205032193 Panama City Telemetro Television Network in Spanish 0203 GMT 12 May 93

[Communique issued by the Judicial Branch at the Justice Palace in Panama City on 11 May]

[Text] By a unanimous resolution reached on 11 May after considering the merit of the legal proceedings initiated by the criminal charges made on 26 October 1992 by Rodrigo Arosemena, Leo A. Gonzalez, Eusebio Marchosky, and Alvin Weeden against Attorney General Rogelio Cruz Rios, the plenum of the Supreme Court of Justice has opened a criminal case against Rogelio Cruz for violating the dispositions established in Chapters 4 and 6 of Title 10 of Book 2 of the Penal Code, which generically describes and establishes punishment for the crimes of abusing authority, preventing public servants from fulfilling their duties, and violating seals and removing goods from public offices.

The writ allows a term of five days for the parties to present evidence they may deem appropriate for inclusion in the corresponding oral hearing and maintains the suspension of the accused from the post of attorney general until the case is duly settled. Furthermore, all additional limitations imposed on his personal liberties are hereby lifted.

In a 40-volume resolution, after making reference to the most outstanding aspects of the 2,403 volumes that

resulted from the investigations undertaken by the solicitor general of the administration [Donatilo Ballesteros], the Court arrives at the conclusion that, with regard to the charges of extortion and embezzlement leveled against Cruz during the 10 February and 18 March 1993 hearings, the evidence accumulated is not enough to support the said charges.

[Issued] Justice Palace, 11 May 1993.

Commerce Minister Predicts European Banana Restrictions 'Will Fail'

PA1005233393 Panama City LA ESTRELLA DE PANAMA in Spanish 10 May 93 p A-1

[Report by James Aparicio]

[Text] Bambito, Chiriqui Province—The restrictions that will be imposed by the EC on Latin American bananas beginning in July have unleashed a war among the producing countries for control of the market, Commerce and Industries Minister Roberto Alfaro said on 9 May.

Alfaro said that the restrictions will encourage banana contraband in Europe and cause international prices to drop. He said: "We are going to have a real banana war."

Alfaro predicted, however, that the European restrictions will fail. "In two or three years the community will have to open the market again," he added.

Alfaro participated in a debate on the Latin American and Panamanian banana crisis in Bambito, Chiriqui Province, 500 km northwest of the capital. The meeting was attended by independent coffee producers, representatives of the government, the EEC, and the Chiriqui Land Company and Standard Fruit multinational companies.

The EEC decided that effective 1 July, Latin America and Panama will have a quota of 2 million tons of bananas, which will pay 20 percent tax.

Whenever this quota is exceeded, a tax of 850 ECU's [European Currency Units] will be imposed, equivalent to \$1,000 per ton of boxes of bananas exported.

Panama exports 85 percent of the 38 million 42-kg boxes of bananas that are shipped each year to Germany, Belgium, and Denmark.

The new European restrictions will affect 15 percent of Panamanian banana producers. According to labor sources, it will leave 1,400 persons unemployed.

Victorino Allocco, EEC ambassador, said that the quota restriction seeks to defend the banana production of 69 banana-producing countries of Africa and the Caribbean, which are members of the Lome Pact, and seeks to keep stable the prices and traditional flow of Latin American exports.

Argentina

Envoy to UK Says Nation To Recover Falklands in 'Medium Term'

PY1105162593 Buenos Aires CLARIN in Spanish
10 May 93 p 14

[Text] Cordoba—Mario Campora, Argentine ambassador to the United Kingdom, yesterday asserted that Argentina will recover the Malvinas Islands "in the medium term," and noted that a rupture of the relationship between the two countries, which he said was "mutually beneficial," is "unthinkable."

Ambassador Campora visited Cordoba accompanying a delegation of British businessmen who also travelled to Mendoza, where they will remain until today before returning to Buenos Aires.

The relationship with Great Britain experienced another moment of tension a few weeks ago, when the British Government unilaterally decided to expand its maritime jurisdiction in the south. Yesterday Campora admitted that the British "have a de facto jurisdiction" over the area, but warned "that Argentina rejects that measure, and does not renounce its right to exercise sovereignty."

According to Campora, "if Argentina does not submit to Great Britain's attitude, and if it continues to grow economically as it is doing now, in the medium term it will be able to restore the South Atlantic islands to their patrimony."

Campora said that "the country's economic growth is also evident in the Patagonian area, and this growth will project itself to the southern seas. The location of those islands is such that their future is linked and integrated with Argentina."

In a statement to the local media Campora mentioned the "political will" of President Carlos Menem who, he asserted, "has set a political objective to recover the islands, which he estimates will materialize in the year 2000."

Campora stated that between Argentina and Great Britain "there is a controversy which has still not been solved" and added that the subject of the sovereignty over the South Atlantic islands "is a subject being analyzed and discussed."

Defense Minister Views Limits to Budget Cuts

PY1105214693 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1802 GMT 11 May 93

[Text] Buenos Aires, 11 May (NA)—Argentine Defense Minister Oscar Camilion today admitted that the Air Force is operating at 50 percent of its normal capacity due to budgetary problems.

Camilion stated: "This undermines the ability of pilots," adding that it is necessary to "adjust defense requirements to the new technological requirements."

The minister said this after meeting with President Carlos Menem at the Olivos Presidential residence. This was their first meeting since Camilion's installation. They evaluated the situation of the Armed Forces.

Camilion said that preparing the 1994 budget is one of the issues that worry him most because "first we must establish how much we have to spend."

He added: "For this, we must of course have a clear idea of what our defense requirements are, given the national and international situation."

Asked to define his priority requirements, the minister answered: "The country should spend what must be spent to avoid risks that may threaten us."

He believes we should "not hang on to obsolete ideas, but bear in mind the country's position in 1994 and remember that today's world is fraught with new situations with which the defense system must cope."

He added: "We must adjust defense requirements to new technological requirements and to the economic requirements on the grounds that a solid economy is the best defense any country can have."

Camilion emphasized: "Thus, the Armed Forces must make a contribution to the economic process, rather than being a burden."

On the subject of peacekeeping operations in which Argentina is participating, Camilion said that one should bear in mind "financial costs, United Nations priorities, and Argentine interests."

The minister admitted that flight times of Air Force pilots have been substantially reduced. He added: "Pilots are now flying 50 percent less than they used to and this undermines their ability."

He compared flying to soccer or dancing, explaining: "Just like soccer players or dancers, pilots are prone to failure and a pilot who fails is very dangerous."

He concluded by saying: "It was necessary to curb defense costs but there is a limit to the cuts."

Peruvian General Robles Interviewed in Buenos Aires

PY1105230693 Buenos Aires CLARIN in Spanish
9 May 93 p 36, 37

["Main excerpts" of "exclusive" interview with Peruvian General Rodolfo Robles Espinoza by Pablo Biffi in an unidentified hotel in Buenos Aires, on 8 May; copyrighted by CLARIN]

[Text] "I declared myself in a state of insubordination because I do not accept a criminal at the head of the Army," Peruvian General Rodolfo Robles Espinoza said in an exclusive interview with CLARIN in Buenos Aires just a few hours after arriving here with his family. On 7 May General Robles, 53, accused General Nicolas Hermoza, chairman of the Peruvian Armed Forces Joint

Command, and Captain Vladimiro Montecinos, retired, chief of the Peruvian National Intelligence Service, of having approved serious human rights violations. Robles accused the two soldiers, close aides of President Alberto Fujimori, of being connected with the disappearance in July 1992 of a professor and nine students of La Cantuta University of Lima. Here are the main excerpts of the interview.

[Biffi] Why did you chose to come to Argentina after making your charges?

[Robles] I chose this country because I have many pleasant memories of the times I lived here. I have attended many military courses at the Superior War College here. In 1972 I attended a budget programming course sponsored by the OAS; in 1974 I completed a course with the Engineering and Amphibious Battalion as a scuba diver in Santo Tome, Santa Fe Province; and in 1978 I attended several courses in the Superior War College where I made many friends who are now high-ranking officers in the Argentine Army. My son, Engineering Captain Jose Robles Montoya, who is with me right now, studied for three years from 1983 to 1985 in this country which has always treated me with great hospitality. The great empathy I feel for Argentina is the reason why I decided to come here with my family.

[Biffi] It is said that you will leave Buenos Aires soon.

[Robles] I deny that, it is not true. I intend to stay in Buenos Aires until the conditions are right for my return to Peru.

[Biffi] What are those conditions?

[Robles] The basic conditions of security for anyone who has made the kind of charges I did. When these conditions are given I will return to my country because I have promised my people and the Human Rights Investigative Committee of the Democratic Constituent Congress that I will try my best to let the truth be known through a thorough investigation that does not lie to the people. One cannot forget the disappearance of 10 people from the La Cantuta University. This case must be clarified for the benefit of the country and the Army.

[Biffi] What are the concrete charges against Hermoza and Montecinos?

[Robles] I have requested a thorough investigation of the case of La Cantuta University. I want a clarification of what was done by a gang of uniformed criminals who entered in La Cantuta University and kidnapped a teacher and nine students, who were probably killed on the road. The right thing to do, if those people were really connected with the Shining Path as suspected, would have been to take them to court to be tried. What they did is a crime; it is murder. The antiterrorist laws foresee very harsh punishments for those who engage in subversive activities. That is the framework in which they should have operated. If 20 people die in a clash, it is part of the game, but murder is something else. It

discredits the Armed Forces and my country. I ask myself, who are they to judge?

[Biffi] What do you ask from the Fujimori administration?

[Robles] I suggest that the government should reorganize its military command and remove Montecinos and Hermoza, the two that are mainly responsible for the La Cantuta case, because the president cannot be surrounded by murderers. When reorganizing the high command the president must appoint an officer who fits each post. General Valdivia, because he has the greatest seniority, should be Army commander; General Saldana should be Army chief of staff; and I should be Army inspector general, which is number three in the force. In that post it would be my duty to investigate and send to court those responsible for human rights violations. I was offered the post of representative before the Inter-American Defense Board in Washington, with a good salary in dollars. I cannot accept it because I did not spend 37 years of my life in the Army just to hush up these cases. General Victor Gonzalez, who directly obeys Hermoza and the president, was appointed Army inspector general. That is my claim and that is why I declared myself in state of insubordination against this criminal leadership.

[Biffi] You are not a political refugee. What is your status in this country?

[Robles] I am just a guest because I did not request political asylum in Argentina. I want to live in this country and I want to be treated according to my situation. I think I should be assured that the Argentine Government understands my situation. Although I will not ask for protection, you must realize that my case is quite particular. The arm of this criminal organization, which is commanded by heavyweight officials of the Peruvian presidential circle, is quite long. I hope God will prevent that arm from crossing the borders of this beautiful country and unfairly stain Argentina.

[Biffi] What will happen when you return to Peru?

[Robles] I will probably be tried by military justice and I may be sent to prison. But I will continue with my struggle until I send to court those responsible for the La Cantuta case. I have the support of young Peruvian officers who trust me and who reject criminals. I prefer to pay this price and continue to be poor.

Correction to 'Great Front' Makes Progress With PC PY1005192793

The following correction pertains to the item headlined "'Great Front' Makes Progress in Consolidating Alliance With PC," published in the 6 May Latin America Daily Report on page 29:

Column two, sixth complete paragraph, second sentence make read: ...PH [Humanist Party], PIN [National Party of the Left], PV [Green Party]... (correcting party name)

Brazil

Finance Minister Reportedly 'Willing To Leave' Post

PY1105150593 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 May 93 Section 1 p 1

[Text] Distressed over the flurry of attacks against him for his alleged interference for the benefit of the Norberto Odebrecht construction company, Finance Minister Eliseu Resende has confided to friends that he is willing to leave his post. Resende considered President Franco's criticism of his role in the Odebrecht case to be unfair. Franco was also irritated yesterday by a Peruvian Government communique denying that it had requested any loan, and consequently it appears that Odebrecht is the main interested party.

Resende left on 7 May for his home town—Oliveira, Minas Gerais State—to give a hand to President Franco, who yesterday had a relapse and ran a 38 degree [Celsius] fever, having to stay at home all morning.

Probe Shows Government Lost \$376 Million in Privatizations

PY1105150693 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 May 93 p 1

[Text] The Office of the Attorney General is studying the possibility of bringing an action against the Privatization Commission. According to a survey conducted by attorneys working at the Office of the Attorney General, the government has lost \$376 million with the privatization of 18 state-owned enterprises since December 1992. According to the study, the proceeds from these privatizations totaled \$3.744 billion, of which only 1.28 percent was paid in cash.

Army Official, Governor Minimize Separatist Movements

PY1105160893 Rio de Janeiro O GLOBO in Portuguese 10 May 93 p 3

[Text] Brasilia—General Gilberto Serra, chief of the Army Ministry Social Communications Office, yesterday stated that if necessary, the Army will take up arms to fight separatist movements and guarantee the country's integrity. Gen. Serra noted, however, that repressive actions would be used only as a last-ditch measure. In any case, Rio Grande do Sul Governor Alceu Collares has already ruled out any action by the Army.

Collares said: It will not be necessary for the Army to take any action, because I personally will kick them out of here.

Collares and Serra agreed to state that no one should be concerned about the separatist movement led by Irton Marx, because it is meaningless. Marx, a resident of Santa Cruz do Sul, has proposed the creation of the

Pampa Republic. Serra based his statement on a document prepared by the Army intelligence service, which has also obtained information on separatist proposals that have surfaced in the northeastern region of the country.

Collares said: The group consists of only half a dozen people. During the past elections for councilmen, Marx obtained only 569 votes in a town of approximately 70,000 voters.

Serra notes that so far this is just a legal question. He said: It is still a question of public security, not of national security.

Furnas Denies State of Emergency at Nuclear Plant

PY1105202293 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 11 May 93

[Text] Furnas Electric Power Plants, Inc. [Furnas] has just released an official statement on the leak at the Angra dos Reis nuclear plant. Furnas asserts that the nuclear plant has not been operating in a state of emergency and that there is no risk for Angra-1 workers, town residents, or the local environment.

Furnas technicians are still working 24 hours a day at the Angra-1 nuclear plant. The Furnas board of directors has explained that the water that is being contaminated by the leak within the reactor's area will be filtered and the nuclear residue will be stored inside the plant.

Franco Congratulates Paraguayan President on Elections

PY1105014693 Brasilia Voz do Brasil Network in Portuguese 2300 GMT 10 May 93

[Text] Brazilian President Itamar Franco today congratulated Paraguayan President Andres Rodriguez for the peaceful manner in which elections were held in that country. President Franco spoke with his Paraguayan counterpart over the phone and said the tranquility with which elections were held to elect a new president of the Republic is important for that country and for Latin America as well. He conveyed his congratulations to President Andres Rodriguez and, through him, to the Paraguayan people.

Visiting Polish Minister Discusses Trade, Debt

PY1105031393 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 10 May 93

[Text] A Polish minister today explained to Finance Minister Eliseu Resende how Poland managed to reduce its inflation rate from 2,000 percent to 42 percent last year. The two ministers today discussed the installation of economic information centers to increase trade between Brazil and Poland.

The Brazilian finance minister today received Polish Foreign Economic Cooperation Minister Andrzej Arendarski, and they discussed the possibility of strengthening technical and commercial relations between the two countries, increasing bilateral trade.

The Polish debt to Brazil, totaling \$2.307 billion, has been rescheduled and will be paid by the year 2009. However, the Brazilian debt to Poland, totaling more than \$96 million, will be paid through exports of Brazilian products to Poland.

According to the Polish minister, his country's government also intends in the future to install economic information centers in the major Brazilian capitals to increase trade between the two countries, which today amounts to \$170 million yearly. This also will be an item of discussion in one of the negotiation agreements to increase trade between Brazil and Poland.

The Polish minister added that Resende was very interested in the way Poland managed to reduce its inflation rate from 2,000 percent in 1989 to 42 percent last year, with prospects to reduce it to 32 percent this year.

Signs Trade Agreement

LD1105224393 Warsaw PAP in English 2222 GMT
11 May 93

[Text] Brasilia, May 11—Poland and Brazil signed in Brasilia on Tuesday a trade agreement under which the two countries grant to each other most-favoured-nation status.

The document, to cover a five-year period, was signed by Polish Minister for Foreign Economic Relations Andrzej Arendarski and by Brazilian Acting Foreign Minister Luiz Felipe Palmeira Lampraia.

During a five-day visit to Brazil, a Polish delegation is expected to meet with Brazilian businessmen in Rio de Janeiro and Sao Paulo.

Chile

Agreement Signed With Peru; 'New Era of Peace' Forecast

PY1205034493 Santiago Television Nacional de Chile
Imagen Internacional in Spanish 0100 GMT 12 May 93

[Text] Chile and Peru have resolved the last disagreements affecting the Peace and Friendship Treaty that the two countries signed in Lima in 1929. This afternoon the two countries' foreign ministers signed a historic agreement that will strengthen our bilateral relations. Roxana Altuna, our correspondent in Peru, reports from Lima:

[Begin recording] [Altuna] The agreement signed in Lima was not only very satisfactory for Peru and Chile. It also marked a historic landmark for two nations with common interests to confront the new era of the 21st

century. The declaration signed tonight at the government palace in Lima reflected this spirit.

During the two days of negotiations, according to Foreign Ministers Enrique Silva Cimma and Oscar de la Puente, the willingness to find solutions permitted the closing of a memorable agreement, the juridical strength of which will give confidence to the future development of the two nations. Peruvian Foreign Minister Oscar de la Puente summarized the historic context of the agreement when he said that after 64 years of negotiations the two countries have eliminated all traces of past antagonisms.

The Chilean and Peruvian foreign ministers expressed satisfaction for the progress achieved in the negotiations from the early hours of 11 May.

[Silva Cimma] We reached an agreement on all points in the agenda.

[Altuna] The negotiations could not have evolved better. There were no controversial points, and what was agreed on in the 1929 border treaty will be respected but with an appropriate interpretation. All doubts about the use of Arica's northern docks, customs offices, and railroad station have been cleared. Enrique Silva expressed satisfaction for the agreement.

[Silva Cimma] We have reached an extremely positive agreement. I think this is the agreement we needed to consolidate the bilateral situation of our two brotherly nations. We tried to reach this agreement for many years.

[Altuna] Peruvian Foreign Minister Oscar de la Puente praised the work of the silent architects—as he called the commission members who worked out the agreement—and congratulated himself for the new level of Peruvian-Chilean relations.

[De la Puente] This agreement forecast a 21st century without problems. Consequently we can only stress the absolute satisfaction of both countries with this very important agreement signed in the presence of President Alberto Fujimori.

[Altuna] In the opinion of treaty experts the Lima agreement clearly establishes the way to administer Chilean works in Arica, the transit of goods and individuals, the international use of the area called Chinchorro, and the arrival of a new era of peace between Chile and Peru that will be consolidated with the construction of a monument to Christ of Harmony that will look out toward the Pacific Ocean, extending His arms toward both nations.

[Fujimori] Chile and Peru enter a new stage of bilateral relations. This stage is marked by mutual trust and mutual support leaving behind [word indistinct] and disagreements because this is the desire of the two brotherly peoples. In front of us we have the development and progress sought by Chileans and Peruvians.

[Altuna] This border agreement between Chile and Peru, at a time economic blocks prevail in the world, is the best answer to face our future. [end recording]

Colombia

Prosecutor General Interviewed on Rodriguez Case, Other Issues

PA1005233793 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1800 GMT 8 May 93

[Interview with Prosecutor General Gustavo de Greiff by Felix de Bedout; place not given—live]

[Text] [De Bedout] Good afternoon, Prosecutor General. The country is asking itself if Gilberto Rodriguez Orejuela has stated his willingness to turn himself in.

[De Greiff] No, Felix, we do not know exactly who the people are that the lawyer claims to represent. We are talking about the person who contacted the Prosecutor General's Office. He talks about many people—approximately 60—who want to turn themselves in. They have made no formal request and they have not stated their conditions, if there are any. They simply wanted to know about the laws that would apply, depending on whether they had legal cases pending or not. That is the situation. We hope that in a future hearing they will tell us the names of those who wish to turn themselves in so we can study each particular case.

[De Bedout] Dr. de Greiff, we found out about a serious incident involving a witness on 8 May. I am talking about the case of El Navegante. He was attacked. Is there enough protection for witnesses in the country?

[De Greiff] It is possible, Mr. Felix. What happened is that the attack was skillfully carried out. An anonymous phone call was received at the Dijin [Judicial Police and Investigations Directorate] saying that an individual was at a certain location and that he was armed. An operation was immediately conducted. The authorities went there and an armed man was in fact found. He was arrested, but it was all a setup. The man had himself arrested so he could have access to the Dijin. The next day, or two days later, when he was being transferred to a different building he tried to murder this man, who is accused of carrying weapons illegally in an operation that had been conducted in Cali. This man had cooperated with the authorities in the past and was evidently one of the persons that cooperated in the dismantling of Rodriguez Gacha's cartel. He has also cooperated in many other cases and, therefore, he has many enemies. He was lucky indeed.

[De Bedout] Another case that is keeping the country in suspense is the surrender of Pablo Escobar. We know the surrender has been thwarted several times. Why, and how many times?

[De Greiff] Yes, actually his surrender was foiled because of a lack of commitment by the criminal. He

made certain observations regarding the prison conditions. He had been asking for a refrigerator and other picky details about which the public already knows. Finally, he showed no interest because he did not turn himself in. Meanwhile, the responsibility of society and the authorities has been to continue pursuing him. I hope God gives us enough ability to capture him.

[De Bedout] Another case that concerns the country is that of the Pepes [Persecuted by Pablo Escobar]. There is talk of active members of the police being involved with this terrorist organization. Do you know anything about this?

[De Greiff] We have been unable to prove that. The attorney general says he has some clues, certain suspicions. He is conducting an investigation in this regard and he has kept us informed. Naturally, he will send the results of this investigation to the Prosecutor General's Office so we can take proper actions if the case warrants. We at the Prosecutor General's Office, through the technical team, have conducted our own investigations, but it has been impossible to determine the true existence of the group.

[De Bedout] You have been offered the vice presidential candidacy along with Foreign Minister Noemi Sanin. You said no, but what if I told you that this offer came from an important group of Antioquia Department businessmen, several liberal and conservative parliamentarians as you said, and a group of friends of Luis Fernando Jaramillo?

[De Greiff] I am so pleased to see that people think I can provide this service to the country, but I have said—and I am very sincere about this—that it is not advisable for the Prosecutor General's Office and the country to have a prosecutor general running for office and using the Prosecutor General's Office as a ladder. My desire to serve the country is very big. It has no limits, but I do not think this is the best opportunity because I have to finish my job here at the Prosecutor General's Office in the best way possible.

[De Bedout] You wouldn't consider it even if a group of Antioquia businessmen and friends of Luis Fernando Jaramillo asked for it?

[De Greiff] No, no. I tell you and I tell the public that because of obvious reasons of political commitments that led these people to consider me for this post, I do not want to reveal the reasons why. It would not be a very respectful thing to do to the people who have been so generous.

[De Bedout] You are an inquisitive man. You know that a secret among 15 persons is very difficult to keep.

[De Greiff] Yes, but at least it is best to have a clear conscience and not break the reserve asked of me.

[De Bedout] How are your relations with Dr. Belisario Betancur?

[De Greiff] Excellent, excellent. I have great admiration for him.

[De Bedout] Thank you, Mr. Prosecutor General. The only thing I may add is that I believe you and Dr. Sanin left many presidential candidates resting peacefully at least during the weekend.

[De Greiff] You are very kind.

[De Bedout] Thank you.

Treasury Official Accuses Finance Minister of Mismanagement

PA1005043793 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 0130 GMT 9 May 93

[Text] Once again Supervisor of the Treasury Jorge Garcia Hurtado hit the nail on the head in reference to the budget. He has accused Finance Minister [Rudolf Hommes] of deviating almost all of the monies earmarked for the municipalities to unknown sectors.

According to Garcia Hurtado, municipalities nationwide are scheduled to receive 743 billion pesos from the nation's regular income. However, to date, only approximately 110 billion have been allotted to them, leaving a shortage of 633 million, and no one knows on what the government is spending this money.

[Begin Garcia Hurtado recording] It may be that some of the resources that are represented as global allotments are being deviated to electoral campaigns. Judging from the records of past regimes and even this government, that is quite possible. [end recording]

Garcia Hurtado added these new complaints to those he had already leveled against the government in reference to the irregular manner in which it uses state resources.

[Begin Garcia Hurtado recording] I am part of a government that is enforcing a fiscal dictatorship because it has been incapable of creating a development plan. This is bad for the municipalities. [end recording]

The supervisor of the treasury announced that next week he will make new disclosures to the effect that the government is promoting and legalizing embezzlement by ministers and other ranking government officials who, in his opinion, will be able to dispose of and manage the public funds of which they are in charge without any controls whatsoever.

Paraguay

Vote Tallies Put Colorado's Wasmosy in Lead

9 Percent Lead Cited

PY1105130093 Asuncion Radio Nanduti in Spanish 1223 GMT 11 May 93

[Text] The following is the latest vote tally released by the Central Electoral Board:

The ANR [National Republican Association—Colorado Party] has received 143,180 votes, which represents 39.51 percent of the total.

The PLRA [Authentic Radical Liberal Party] has 109,367 votes, representing 30.18 percent.

National Encounter has 97,242 votes, or 26.83 percent.

Lead Drops Slightly to 8 Percent

PY1105210293 Lambare Paraguay Radio Cardinal in Spanish 2037 GMT 11 May 93

[Text] Here are the latest official results released by the Central Electoral Board. The report mentions a total of 541,759 registered votes including 9,976 invalid votes and 7,097 blank votes. The results are as follows:

Juan Carlos Wasmosy continues to lead with 214,429 votes, or 39.58 percent of the total.

Domingo Laino is second with 171,284 votes, or 31.61 percent of the total.

And Guillermo Caballero Vargas is third with 136,222 votes, or 25.14 percent of the total.

We will soon announce additional figures.

Asuncion Radio Nanduti Updates Figures

PY1105214193 Asuncion Radio Nanduti in Spanish 2110 GMT 11 May 93

[Report by Gloria Rubin and Leon Rubin]

[Text] [Begin recording] [Gloria Rubin] Go ahead, Leon Rubin.

[Leon Rubin] I am interrupting to give you the latest figures, Gloria, because the counting has stopped for a minute.

[Gloria Rubin] That is in computer terminology.

[Leon Rubin] Yes, even though I am only a beginner in computer terminology. The figures are: A total of 704,411 votes have been counted at the Central Electoral Board. Wasmosy received 40.94 percent of the total; Laino 31.82 percent; and Caballero Vargas 23.27 percent.

The total of 704,411 votes represents 41 percent of the 1,698,000 registered voters. The figures themselves are already a victory, because never before has there been this much participation.

[Gloria] That is correct. The last election in Colombia attracted only 30 percent of the people. Please give your figures to the press department together with the time you copied the figures. [end recording]

Wasmosy With 41.17 Percent

PY1105234193 *Asuncion Radio Nanduti in Spanish*
2315 GMT 11 May 93

[Text] Here is the bulletin released by the Central Electoral Board at 1900

Total votes counted:	781,353
Juan Carlos Wasmosy:	321,738 votes, or 41.17 percent;
Domingo Laino:	249,878 votes, or 31.98 percent;
Guillermo Caballero Vargas:	167,639 votes, or 22.73 percent.

Saka Says 'Difficulties' Encountered in Performing Election Duties

PY1105182493 *Asuncion HOY in Spanish* 11 May 93 p 2

[Excerpt] The Saka Organization for Electoral Openness yesterday charged that it encountered a number of difficulties in performing its activities during the 9 May elections.

Saka representative Esteban Caballero Carrizosa charged that operators were harassed, suffering direct physical aggression, threats by telephone, and a high percentage of its volunteers—whose ages range between 16 and 25—found it difficult to perform their jobs. In the interior of the country, Saka volunteers were not allowed to use public telephone booths. When they were able to use private lines, their calls were immediately intercepted. He added that their telephone lines at the Guarani Hotel were also cut. He said: "We consider these problems, which entail for us a lack of openness in the electoral process, to be truly unfortunate in light of what the transition process to democracy means for Paraguay."

Caballero said that despite these difficulties Saka was able to perform its independent job. Saka is only committed to the truth, tangible proof of which is the fact that its vote count is quite close to that of the Central Electoral Board. [passage omitted]

Authentic Radical Liberal Party's Laino Cited on Voting 'Fraud'

PY1105204693 *Asuncion NOTICIAS in Spanish*
11 May 93 p 23

[Text] Domingo Laino, of the Authentic Radical Liberal Party (PLRA), who obtained second place in the presidential elections on Sunday, 9 May, yesterday informed OAS Secretary General Joao Baena Soares that the vote tally proceedings records were not taken directly to the Central Electoral Board [JEC] but were first taken to the Colorado Party Executive Board where they were examined. The vote tally proceedings records were not submitted to the JEC in sealed envelopes. They were presumably examined first at the above-mentioned place, which represents a fraud.

Laino stated: "This situation seriously harms the opposition; therefore, we have informed the OAS ambassador who will check this situation." Laino said that specific cases were detected in Caragutatay and other places which he could not name. Asked if those vote tally proceeding records could be annulled, Laino answered that one can presuppose many things; for a start that they [the Colorado Party] are not really certain about their victory nor that they have won the elections [as published].

He said that with these charges the partial results could change. Laino explained that up to now only 14 percent of the votes have been counted, "and, obviously with more than 80 percent still to count, the national and international community might find some surprises."

Leading Parties Reach Agreement on Vote Count Procedures

PY1105172893 *Asuncion ABC COLOR in Spanish*
11 May 93 p 21

[Text] Members of the Authentic Radical Liberal Party, PLRA; of the National Encounter Alliance, EN; and of the National Republican Association, Colorado Party, ANR; last night demonstrated outside the Central Electoral Board [JEC]. The PLRA and EN members demanded that the electoral data of the 9 May elections be processed in a clean, open manner. By contrast, the ANR supporters were claiming victory based on some partial, unofficial results. Representatives of the PLRA, EN, and ANR signed an agreement outlining procedures for verifying the vote tally records.

The arrival at the JEC building of a box whose contents no one was willing to disclose provoked an angry reaction by opposition members and by supporters of the ruling party. PLRA members attempted to verify the contents of the box, but were prevented from doing so. This situation gave rise to suspicion among opposition members, and provoked shouts and pushings between PLRA and ANR members.

In light of the fact that the heated situation was making it impossible to reach an agreement, Criminal Judge Nelson Alcides Mora was called to restore order. The judge urged the PLRA, EN, and ANR representatives to discuss the problem and to reach an agreement on the procedures for verifying the electoral records.

Legal representatives of the two opposition groups charged that envelopes containing electoral records were arriving open at the JEC. They also assumed that these electoral records were going first through the Colorado headquarters, or through a military barracks, to be verified there and that only after this was done were they being sent to the JEC building.

The conflict was overcome after a number of meetings and exchanges of opinions, and through the mediation of OAS observers and presidential candidates Domingo

Laino and Guillermo Caballero Vargas. Thus, it was agreed to establish procedures for verifying the vote tally records.

Among other points, the agreement signed by representatives of the three leading political groups states that the work schedule for verification will go from 0800 to 2000 every day. This work will consist of the reception of vote tally records, the opening of envelopes, and physical inspection of the respective documents. Legal representatives of the parties and movements involved will submit a list of people authorized to supervise the above activities. Upon receipt and after verification by legal representatives and certification by the court secretary, vote tally records will be stored in a room of the JEC building.

While all these negotiations were taking place on the upper floor of the JEC building, tension was rising on the adjacent avenue outside, and at times it seemed as though the two rival groups were going to engage in a street fight, because tempers were flaring and they were exchanging increasingly heated accusations. Police reinforcements were therefore called to safeguard order in the area.

This was the first time PLRA and EN supporters had joined ranks, to demonstrate outside the Board building and demand that the electoral records be processed in an open, equitable manner.

'Self-Proclaimed President' Holds News Conference

PY1105185693 Asuncion ABC COLOR in Spanish
11 May 93 p 8

[Text] Engineer Juan Carlos Wasmosy, the self-proclaimed president of the Republic of Paraguay—based on unofficial data—has said that the energy surplus from the Itaipu Binational Entity [hydroelectric dam enterprise] will be sold to neighboring cities in Argentina. He said that, to this end, his administration will propose a review of the Itaipu Treaty, which was signed 20 years ago. Wasmosy said this during a news conference held yesterday for foreign journalists who covered the 9 May elections. He also said that the Armed Forces-Government-ANR [National Republican Association—Colorado Party] trilogy will end because power will no longer be concentrated in a single person. Wasmosy said he is studying the possibility of opposition people joining his future cabinet.

The Colorado leader said that, 20 years after the signing of the Itaipu Treaty, many things have changed. For this reason, he fully agrees with reviewing some of its clauses. He recalled that he recently talked with Brazilian Foreign Minister Henrique Cardoso, with whom he discussed the interest in reviewing the Itaipu Treaty so that Paraguay will receive the same benefits Brazil receives.

Armed Forces-ANR-Government

Asked if the trilogy Armed Forces-ANR-Government would continue, Wasmosy responded that it will end in view of the guidelines established in the Constitution. In the past, he said, power was concentrated in a single person (Alfredo Stroessner) who used the ANR, his military rank, and his capacity of chief executive to implement a totalitarian government. He said that this will end as a consequence of the limitations imposed by the Constitution.

Cabinet Being Studied

Wasmosy said that the possibility of opposition members joining the government's cabinet "is being studied." Foreign media journalists were very interested in the plurality of his administration, allowing the opposition to join the government. The Colorado politician also said that there is nothing final on this issue. Nevertheless, he said: "If the opposition wants to work with us, there would not be any problems."

Tax Evasion

Wasmosy said that, in principle, there will be no changes in the tax system. He argued: "It is very harmful for investors when the rules of the game are changed." Wasmosy said that the current tax system requires more publicity if it is to succeed. He commented that many people do not pay their taxes—not because they do not want to pay them but because they do not understand how to pay them.

The Colorado politician added that a little more time should have been used to train the people before fully implementing the Value Added Tax (VAT). He noted: "Tax training will help to ensure that everyone pays their taxes."

International Relations

Concerning the international arena, Wasmosy said that he will continue to maintain cordial relations with those countries with which Paraguay has ties. He added that he will try to establish ties with more countries because Paraguay must be more competitive if it is to implement development and thus improve the standard of living of most citizens.

Wasmosy highlighted another point that will receive the special attention of his administration: training and education, as well as health care throughout the country. He said that proper conditions must be created for investments and the creation of more jobs.

"Stroessner May Return, But If He Has Problems With the Courts..."

Juan Carlos Wasmosy stated that former dictator Alfredo Stroessner may "return to our country today." Wasmosy made it clear, however, that, if Stroessner has problems with the courts, he will have to resolve them.

Asked about Stroessner's possible return, Wasmosy responded: "He may return but if he has problems with the courts, he will have to resolve them."

Wasmosy said his administration will not excuse any human rights violations or economic crimes. He said that the courts will be responsible for punishing outlaws. Wasmosy commented: "I will not excuse anything—neither corruption nor drug trafficking." He added that investigations into crimes committed under Stroessner's regime will continue.

Continuity

Juan Carlos Wasmosy explained that, if strengthening democracy represented continuity, he then accepts this term. This was his response when a journalist asked him if his administration represented the continuity of Stroessner and Rodriguez.

Wasmosy said that his will still be a "transition" government, thus admitting that democracy as such has not yet begun in Paraguay. He said that each citizen must seek to strengthen the political process and not seek "a Messiah who will look after everyone," a phenomena that has occurred throughout Paraguayan history.

The Events Involving Saka Deplored

Wasmosy deplored the events involving "Saka," the organization that conducted the parallel count of the general elections, which was unable to operate normally because of various problems on election day.

Wasmosy said that the telephone line to his home also experienced disruptions, hinting at the fact that the problems affecting "Saka" could have been coincidental, not deliberate.

Wasmosy also said that the Pilcomayo River issue will be subjected to a serious study by his administration, acknowledging that the Paraguayan and Argentine Governments recently signed an agreement on the normalization of the river course.

European Support To Strengthen Democracy Sought

Juan Carlos Wasmosy asked the foreign journalists to report on the Paraguayan situation and asked Europeans to provide concrete assistance to strengthen the political process.

Wasmosy said: "We thank you for visiting our country to observe the progress we are achieving in the democratic field. We ask you to help us strengthen the process and not impose tariffs on us." He explained that Paraguay does not pay "any duties" on its exports of soybean or cotton, but when it wants to export thread or soybean oil, it has to pay 26 percent duty.

Concerning the industrialized countries' attitude, Wasmosy pondered: "I believe we should all help each other

to strengthen the process and should not be expected to be democratic. On the other hand, however, they are trying to choke us."

Wasmosy said that Paraguay will overcome underdevelopment when it manages to attract investments that will create employment opportunities to meet the needs of those who lack a job that provides a regular income.

Wasmosy trusts that training and education will improve the people's standard of living. He said that, during his 1993 to 1998 term in office, his administration will implement a national program to overcome those shortcomings that represent an obstacle for our country's development.

Colorado Candidate Says Opposition Conceded Defeat

PY1105152393 Asuncion NOTICIAS in Spanish
11 May 93 p 11

[Text] During a news conference yesterday Juan Carlos Wasmosy [Colorado Party presidential candidate] said: "We are looking into the possibility of including one of our political adversaries during these elections in the cabinet of the next government." He also stated that it was necessary to form a government representing all Paraguayans.

Wasmosy said the other political forces that participated in the general elections on Sunday, 9 May, have admitted his victory. He added that "Caballero Vargas himself phoned me this afternoon (yesterday) to congratulate me on the Colorado Party's victory."

The virtual chief of state also voiced his confidence that on 15 August a new democratic phase in the country would begin, noting that for this all the political parties must unite around a common objective, that is, the well-being of their fellow countrymen.

Presidents Congratulate Rodriguez on Elections

PY1105154393 Asuncion ABC COLOR in Spanish
11 May 93 p 15

[Text] Brazilian President Itamar Franco yesterday phoned his Paraguayan counterpart Andres Rodriguez to express his and the Brazilian people's pleasure over the public's behavior during the elections on Sunday, 9 May. Franco voiced his strong desire that democracy become consolidated in our country within an atmosphere of peace and calmness. Moreover, former U.S. President Jimmy Carter yesterday met with President Rodriguez at Government House, but refused to make any comments at the end of the meeting.

According to presidential spokesman Guillermo Yaluff, yesterday afternoon President Itamar phoned President Rodriguez at his residence in the Las Carmelitas neighborhood. On that occasion he congratulated Rodriguez and the entire public for their determination to live in democracy.

Franco voiced his admiration for the development of the entire political process, and praised the role played by Rodriguez "to create an atmosphere never before experienced in Paraguay."

The Brazilian president reiterated his support and solidarity for the process, and said that the elections on Sunday truly reflect the Paraguayan people and government's real democratic aspirations.

Moreover, Argentine President Carlos Saul Menem and Uruguayan President Luis Alberto Lacalle Herrera phoned Rodriguez with the same purpose of congratulating him on the normal development of the elections of 9 May. He also voiced his pleasure over the role played by the Paraguayan chief of state in this electoral process. Menem voiced his pleasure at the Paraguayan Government and people's determination to continue on a democratic path, for the well-being of all citizens.

Lacalle Herrera said that his country is celebrating the democratic event experienced by Paraguay and noted that now, more than ever, an effort should be made to consolidate democracy.

Wasmosy Receives Congratulations From Brazil's Franco

PY1105203493 Asuncion HOY in Spanish 11 May 93 p 2

[Text] President-Elect [title as published] Juan Carlos Wasmosy yesterday received a congratulatory message from Brazilian President Itamar Franco stating the following:

"I ask Your Excellency to accept my congratulations on your brilliant victory in the elections held on 9 May. Through their democratic spirit, the Paraguayan people have given an example of civic maturity and of participation in the process that culminated with your election to the highest administrative position in your nation. I am sure that during Your Excellency's term in office, brotherly relations, warm friendship, and cooperation between Brazil and Paraguay will be further intensified and made more dynamic.

"Cordially, Itamar Franco, president of the Federative Republic of Brazil."

Ex-Costa Rican President Says Military Duties 'Incompatible' With Elections

PY1105205693 Asuncion ABC COLOR in Spanish 11 May 93 pp 22, 23

[Text] Evaluating his role as an observer of the 9 May elections, former Costa Rican President Rodrigo Carazo yesterday stated that military duties are incompatible with electoral processes.

Carazo said: "We believe we must repeat that each institution must perform its specific role and that military duties are in no way compatible with electoral processes."

He stated: "Weapons must be kept inside barracks" because this is how citizens around the world participate in democratic processes.

Carazo conveyed the concern of all observers over the problems observed during the 9 May elections. He specifically mentioned the closure of the border to prevent Paraguayan citizens from entering the country to vote. He stated that the observer countries will be watching "very closely and will be psychologically prepared" to contribute to promoting democracy in our country and "to make sound recommendations and criticize those actions which, in our opinion, weaken your democracy."

Commenting on his experience as a member of the group of international observers, Carazo said he was deeply satisfied because he was able to observe the civic values as well as the inspiration and devotion reflected by all Paraguayan voters in the polling places he visited.

He concluded: "It has been a positive and exciting experience to see how the people have chosen their future rulers with faith in their future and in democracy."

AIFLD/AFL-CIO Regional Director Says Elections 'Exciting Experience'

PY1105224093 Asuncion ABC COLOR in Spanish 11 May 93 p 24

[Text] Michael F. Verdu, Regional Director of the American Institute for Free Labor Development (AIFLD/AFL-CIO), has stated that the elections were a very exciting experience, seeing the Paraguayan people lined up under the sun to vote and elect the country's future president.

"It was a thrilling day when the Paraguayan people very correctly and with great preparation decided to vote to elect a new president," Verdu stated. He added that together with his colleagues he participated up to the final counting of votes.

When asked about the relationship that will probably prevail as of now between the Paraguayan union movement and the new government, he said that the CUT [United Workers Trade Union Federation] and the union movement must study and discuss the situation to see how to survive under this new government.

Concerning the irregularities detected, he said: "We have seen some irregularities, such as the unusual closing of the border preventing citizens from voting, the terrorist attack on Channel 13, and the remarks made by a military officer on the election results, which could be interpreted as pressure, and others which in general have had no considerable impact on the normal development of the elections," Verdu said.

The union leader also criticized the current government delay in approving the Labor Code and in promulgating

Decree 16,769 which establishes measures for the election of leaders in union organizations.

"As union leaders we are interested in the approval of the Labor Code which, according to the CUT, is acceptable for Paraguayan workers, as well as in the derogation of the controversial decree which establishes rules for workers to elect their leaders. We were very much concerned over this situation, which we are going to study and consider whether it represents a violation of international rules," he said.

He added that the union organizations that they represent will follow very closely the entire Paraguayan democratic process. Finally, he reiterated the behavior of the Paraguayan people in the electoral process last Sunday. "I would like to congratulate all the people for their exemplary behavior. It was an exciting experience for us, and we hope that this democratic process will result in the effective participation of the Paraguayan people," he concluded.

Justice Minister Criticizes Carter's Criticism of Border Closure

PY1105175093 Asuncion ABC COLOR in Spanish
11 May 93 p 15

[Excerpt] Justice Minister Oscar Paciello, in referring to Jimmy Carter, who had asserted that the decision to ban Paraguayan citizens from entering national territory from Argentina violates the Constitution, said "that is his problem." Paciello said: "He was never a member of the U.S. Supreme Court and should know that in the United States the Constitution is enforced by Supreme Court rulings."

He added: "Whoever does not reside in Paraguay does not vote here. If this were not the case, we would find that one day Menem would send us 500,000 'kuehe chegue' [expression in Guaraní and Spanish meaning "I have just arrived"] and used to mock Paraguayans residing in Argentina who have picked up the Argentine accent] to vote here and elect the president they want."

He said that the videos of Paraguayans who had arrived from Argentina trying to cross the border were "extremely funny." "Those who came to say 'kuehe chegue' said they were registered here... Come on... The Constituent Assembly spent two days discussing this subject. I refer to the Constituent Assembly records, where it clearly says that whoever does not reside in the country does not have the right to vote." [passage omitted]

Opposition Candidates Win in Six Departments

PY1105205093 Asuncion NOTICIAS in Spanish
11 May 93 p 6

[Text] According to the last partial vote tally reported before this issue was published, only six of the 17 Paraguayan departments will be in the hands of the opposition.

The political map into which our country is now divided means that 11 departmental governments will be held by the National Republican Association-Colorado Party, because the Colorado Party won in most of the electoral districts that participated in the elections.

Although unofficial, the reports state that it is almost certain that the departments of Concepcion (Oscar Denis Sanchez), Amambay (Juan Carlos Araujo), Canindeyu (Juan Ramon Gimenez), Cordillera (Francisco Rivas), and Central Department (Luis Alberto Wagner) will be in the hands of members of the Authentic Radical Liberal Party.

Only the Boqueron governor (Cornelius Sawatzky) belongs to the National Alliance.

The Colorado Party holds the governorships of San Pedro (Erico Ibanez), Caaguazu (Mario Soto Estigarribia), Alto Parana (Carlos Barreto Sarubbi), Guaira (Rodolfo Friedmann), Paraguari (Enrique Gonzalez Quintana), Caazapa (Jose Maria Sarubbi), Neembucu (Antonio Attis Gimenez), Misiones (Roque Antonio Achar), Itapua (Juan Lorenzo Ramirez), President Hayes (Octavio Gomez), and Alto Paraguay (Tarsicio Sostoa).

Bishop Says Corruption Will Continue To Prevail

PY1205005993 Asuncion ULTIMA HORA in Spanish
11 May 93 p 28

[Text] Mario Melanio Medina, bishop of the town of Benjamin Aceval, talked about the victory of Colorado Party candidate Juan Carlos Wasmosy saying: "Some things will continue as usual. Corruption, particularly, will regrettably continue to prevail."

"We are living with the same old mentality of continuing as usual which seeks to maintain the system. I think, however, there will be changes at the congressional level because a single party will no longer dominate it. Three political parties are well represented in Congress and they will be able to do a lot from the inside," Medina said.

Regarding the balloting process, Monsignor Medina said the process was normal and without major problems in his parish of Villa Hayes where people voted calmly with a good participation. "From the point of view of democratic participation it was fantastic," Msgr. Medina said.

The bishop added that the voting developed in a climate of great civic culture "and we can say that this was an authentic democratic celebration."

Msgr. Medina said voters have clearly shown they are ready to consolidate democracy but warned that there are groups that do not understand this. "The problem stems from those in leadership, those who want to create incidents and create frauds, those who do not realize that Paraguay is in a new era," Msgr. Medina added.

The bishop said that the closing of borders to prevent the entry of hundreds of fellow countrymen from Argentina

was an example of this. The bishop said: "These incidents are promoted by people in high positions, by members of the oligarchy who do not want to relinquish power because they have their special interests. But voters showed civic maturity," Msgr. Medina said, adding that democracy as a way of life and as a government system in the country lies in the hands of all citizens and with the new government-elect.

Msgr. Medina concluded by praising the participation of the people in the process, saying that it was a great joy and that the winner's victory is supported by massive participation.

Without misgivings of the new president-elect or his victory, Carapegua Bishop Celso Yegros Estigarribia—the CEP [Paraguayan Episcopal Conference] secretary general—insisted on the need for a new mentality. He said: "The present structure needs to be substantially changed if we are going to fight corruption because those who worked for the previous regime continue in key positions. They did not change their way of thinking and want to continue to lead the country."

Regarding Juan Carlos Wasmosy's victory, Msgr. Yegros said he is the candidate the people have chosen and voted for, adding that we must be open minded and accept it. The bishop insisted that the new president will have to change existing structures and existing mentalities.

"Very strong structures persist despite the very important changes in the field of civic liberties. We saw no changes in some aspects, such as the social and economic areas," the bishop added.

Msgr. Yegros said we can deduct from the election results that the people believe Juan Carlos Wasmosy and Angel Roberto Seifart can bring about change.

The bishops said when the church called for change it was not telling the people to elect any specific candidate. "The church advocates change, no matter who brings it about. Any new government will necessarily make changes, without doubt. The need to change the country is indisputable," Msgr. Yegros said.

Regarding the ban on fellow countrymen coming from Argentina to vote, Yegros said: "A civilized country does not have to confront this type of situations." He added: "In a moral sense you can see the intention of those measures that hurt their perpetrators more than the opposition."

Msgr. Yegros said that the ban represents "a culture that tends to accept fraud and the idea of winning at any cost."

The bishop said yesterday's election was a civic celebration and a big step forward for Paraguay. "I think it was a big step forward and a demonstration of a more mature civic culture. The rate of participation was high and the rate of abstention low."

Armed Forces To Maintain 'Total Subordination' to President

PY1105143393 Asuncion ULTIMA HORA in Spanish 10 May 93 p 10

[Text] Military Forces Commander Vice Admiral Eduardo Gonzalez Petit has said: "The Armed Forces will be a sector with which the future president of the Republic will have fewer problems. Through training we are very disciplined people, and obedience prevails within the military sector. Therefore I believe it will be very simple for the new head of state. There will be total subordination to the civilian power. There is no room for the slightest doubt about this." The military commander, who was accompanied by his wife, voted at about 1100 yesterday at the "Silvia Cueto" School in Trinidad District.

The military commander also discussed his future relationship with the new head of state. Gonzalez Petit currently holds the post of commander of military forces. Gonzalez Petit pointed out: "I do not believe there will be anything inappropriate, as depending on whether the new Armed Forces commander will keep me in my post, I will surely be the adviser, the military forces commander, but in routine matters. The president of the Republic will have total responsibility."

Gonzalez Petit concluded that a very important process for the Armed Forces has been completed with these elections. He said: "Henceforth the relationship among all Paraguayans will be normal. For the Armed Forces, all this is very important, because we have completed a stage, perhaps the most important one of our life. [no closing quotation marks as published]

Articles View Elections, Criticize Military, Opposition

PY1105170893

[Editorial Report] Asuncion ABC COLOR in Spanish on 10 May publishes on pages 4 and 11 of its Special Elections Supplement two articles viewing the Paraguayan general elections.

On page 4, a 520-word article by Alcibiades Gonzalez Delvalle criticizes those responsible for attempting to make the country's "first step toward democracy become its last." It adds that while "the majority of the Paraguayan people sought to clear the fatherland's reputation, military men and judges supported by the usual small-minded politicians made the international community see Paraguay as an incidental, insignificant republic." Gonzalez Delvalle then criticizes General Oviedo's "arbitrary" attitude, his unconstitutional meddling in political matters, and the signed "paid advertisements" that applauded Oviedo and his attitude. He says that in applauding the first illegal acts "dictatorships begin," and adds that Gen. Oviedo's participation in the coup that ousted the previous dictatorship would have made a hero out of him if he had not adopted the "proud attitude of a victorious military officer."

Gonzalez Delvalle names judges who showed "shameful behavior" by preventing the "democracy watchers" from performing their duty, and adds that nothing else could have been expected from people who praised barbaric acts during the dictator Stroessner's days. He then refers to other judges who prevented "Paraguayans living abroad from entering the country" and had "clumsily and wrongly interpreted the Constitution, which only forbids Paraguayans from voting abroad." He concludes: "There are not many who are trying to prevent our country from improving. They are few, but they hold the power."

On page 11, a 580-word article by Jorge Aguade notes that "if the results of the exit polls continue to prove correct, the opposition candidates will be responsible not only for their own defeat, but also for depriving the country of the possibility of real change, of ending the continuity in power, and of ousting a group that has been using the country to their own benefit for more than 40 years, through rather unethical and unfair methods." Aguade adds that the absolute majority wants to see the country change, as shown "by the total votes for the opposition, which together add up to more than 60 percent." He says that the opposition should have united and forgotten personal ambitions instead of being "blinded by polls that stated that their victory was certain, and closing their eyes to the shameful use of state assets in the campaign for the Colorado Party candidates, the pressure exerted over public employees, the participation by military men in the electoral campaign, and General Lino Oviedo's psychological terrorism." Aguade goes on to say that the opposition candidates had not taken any steps to annul the elections, although the number of charges of irregularities was enough to request annulment. Aguade adds that the opposition was responsible for its probable defeat and the defeat of a unique possibility in the country's history, "because in five years the country will be different and unity still more difficult." He concludes: "Mr. Laino, Mr. Caballero Vargas, you will be held responsible if the dreams of most Paraguayans are frustrated."

Police Officials Neither Confirm, Deny Entry of 'Terrorists'

*PY1105203793 Asuncion ABC COLOR in Spanish
11 May 93 p 86*

[Excerpt] Senior Asuncion police officials have neither confirmed nor ruled out the entry of terrorists into our country.

Interior Minister Hugo Estigarribia Elizache reported on 9 May that a group of terrorists had entered the country on 8 May and that efforts were being made to track them down.

Police Principal Superintendent Santiago Flores Torres, chief of the Asuncion Investigative Police, yesterday said that his department had no specific proof of the presence of terrorists in our country. He admitted, however, that

our long inland borders make it easy for people with questionable records to enter the country.

Flores said: "We have received an unconfirmed report that some terrorists may have entered our country, but we have not yet been able to confirm it."

Flores said that the Interior Ministry may be conducting an investigation through other organizations. He said: "It is our job to interrogate foreigners with a questionable background and to check their records with Interpol."

Flores said that undocumented individuals usually enter the country through Salto del Guaira or Pedro Juan Caballero.

Flores added: "We cannot determine the reason why many foreigners enter our country. Thus, we try to investigate and to process all available information so as to expell from the country those having a criminal record."

Asked about what police are doing about the presence of guerrillas in the country, Flores said that the police are "studying the situation." [passage omitted]

Private Firm's Report Recommends Restructuring Economy

*PY1105141293 Asuncion ABC COLOR in Spanish 10
May 93 p 2*

[Text] According to the recommendations in a report prepared by Pacific Strategies of Menlo Park—a U.S. firm—the new Paraguayan president will have to change the entire national economic structure in the near future in order to overcome the obstacles hindering development. The report was made at the request of the Ministry of Integration.

The report, entitled "Paraguay Before Mercosur [Common Market of the South] and the New World Order," recommends that Paraguay put in order its fiscal organization; adopt a more reliable, stable, and open monetary system; and clearly promote a diversified economy based on agriculture, designing sector policies to support these measures.

The report also recommends that the necessary infrastructure to promote exports be reinforced, and that human resources be invested in, so that the next generation of Paraguayans may have the opportunity to improve competitiveness. The report recommends that an entrepreneurial strategy be designed on the basis of Paraguayan resources.

The specialists maintain that both entrepreneurial leaders and Paraguayan Government officials agree that their economy cannot continue to rely on the export of raw materials, or operate as a storage area for products destined for its neighbors, where domestic products have preference over imported goods.

Among practical recommendations for building the foundations for development, the report mentions the approval of a foreign investment law for promoting new enterprises, offering incentives like tax exemptions for reexporting inputs and semi-processed goods, and exemptions for profit remittances abroad.

The report also recommends that the tax system be simplified, and that Paraguay join GATT, as its future depends on the world system of trade.

The report recommends signing a bilateral investment treaty with the United States and strengthening relations with the Overseas Private Investment Corporation (OPIC).

The report recommends that "talks begin with the Inter-American Development Bank on the Multilateral Program for Guaranteeing Investment, which will open access to new credits from the public sector, and which will provide funds for financing feasibility studies for private investments."

Another point to be clarified in order to restore credibility in Paraguay's wishes to adopt a market economy and to attract investment is the enforcement of the intellectual property rights of foreign firms, within the framework of negotiations for an intellectual property rights treaty to be signed with the United States.

In this regard, the report says that no foreign enterprise has ever resorted to the courts to test Paraguay's intention to abide by the terms of the Treaty of Washington of 1929.

The U.S. experts suggest that the training and education of workers should become part of a plan to promote productivity.

The Mercosur project has forced the Paraguayan Government and entrepreneurs to reconsider their competitiveness and search for new markets, and to reconsider the provision of raw materials and semi-processed goods.

The report emphasized that "Mercosur has already forced the Paraguayan commercial community to think in terms of the international situation."

Peru

Government Approves 'Repentance' Law for 'Terrorists'

PA1005220293 Lima Panamericana Television Network in Spanish 0300 GMT 9 May 93

[Text] The Peruvian Government on 8 May approved a supreme decree published in EL PERUANO on the Repentance Law. In one of its chapters, the law specifies that persons sentenced for terrorism may receive the benefits of this law and the relatives of those who repent will be granted protection under certain circumstances.

Article Two of the Repentance Law published on 8 May in the official daily EL PERUANO points out that the provisions cover those who are included or not in a police investigation, penal process, or sentenced for the crime of terrorism. Section One of the reduction of the sentence points out in Article Five that the following will be included in the benefits of sentence reduction:

1. Up to one-half of the legal minimum to he who, not having been arrested but included in a penal process, voluntarily decides to suspend definitely his terrorist activities and confesses the criminal activities in which he participated.

2. Up to one-third of the legal minimum to he who is arrested redhanded during a police investigation, during any phase of the penal process, and prior to the oral charges by the prosecutor, and who in addition confesses his participation in the crime of terrorism and expresses his repentance.

Section Two of the exoneration of the sentence points out in Article Six: Also covered by the benefits of the exoneration, in addition to not having to serve sentence is he who, included or not in a penal process for the crime of terrorism, voluntarily provides timely and true information that allows learning about the activities of terrorist groups or organization and fully identifies the chiefs, commands, chieftains, leaders, or members of the organizations, as well as capturing the same, and who prevents or neutralizes future terrorist actions or notifies the police or judicial authorities of any dangerous situation that will allow preventing the action.

Section Three of the remission of the sentence specifies in Article Seven: Those who will receive the benefits of remission or pardoning of the sentence includes he who having been deprived of his freedom for the crime of terrorism and provides true, opportune, and valuable information that will lead to uncovering the activities and operations of his group or terrorist organizations, completely identifies the chiefs, commands, chieftains, leaders, or members of the organization, and make it possible to capture them, as well as learning of future actions that can be prevented or the damage these could have produced are neutralized as a result of such information.

Section Four of complementary benefits points out in Article Eight that for receiving the benefits mentioned in the previous articles, the person making the request may receive the following complementary benefits:

- A) The secret of his identity is guaranteed;
- B) Maximum security measures are adopted for his personal safety;
- C) A change of identity;
- D) He is assigned economic resources for obtaining employment and change of domicile, according to the circumstances, and when the case so requires it, the benefits will be extended to his relatives.

Uruguay

Russian Bank Delegation Arrives in Montevideo

PY0605024693 Montevideo BUSQUEDA in Spanish
29 Apr 93 p 19

[Text] A delegation from the Russian private banks association arrived in Montevideo on 20 April to learn about the functioning of the Uruguayan financial system and to investigate the possibility of establishing trade and financial links with local entities.

The 10 bankers and a translator paid discreet visits to the headquarters of the Uruguayan Banks Association and to some local banks.

The Russian entrepreneurial entity is comprised of 98 institutions, which are headquartered in various regions of the Russian Federation. Formerly, these institutions were state-owned banks, but now they have become private. In some cases, these financial entities are agents of British, German, and French banks.

Two members of the delegation are women: One is the president of one of the financial institutions, and the other the financial adviser of the banks' association.

Government Establishes Diplomatic Ties With Croatia

PY0805031093 Madrid EFE in Spanish 0024 GMT
8 May 93

[Text] Montevideo, 7 May (EFE)—The Uruguayan Foreign Ministry told EFE today that the governments of Uruguay and Croatia have decided to establish diplomatic relations.

Contacts to implement the initiative were made at UN headquarters in New York through the two countries' permanent missions before the United Nations.

The two governments agreed to maintain friendly bilateral relations based on the principles of respect for each other's sovereignty and territorial integrity; nonaggression; nonintervention in each other's domestic affairs; equality; mutual benefit; and peaceful coexistence.

According to international laws, the two countries will appoint ambassadors to represent them before each other's governments.

Venezuela

Court Magistrates Meet To Discuss Perez' Request

PA1105173893 Caracas Venezolana de Television
Network in Spanish 1559 GMT 11 May 93

[Report by Johnny Ficarella]

[Text] Good afternoon. We are here at the Supreme Court of Justice, where a few minutes ago the Court

magistrates began holding a plenary meeting. The agenda to be discussed on 11 May includes three basic points:

First, the letter sent by President Carlos Andres Perez to this Court requesting an expeditious discussion of the 250 million bolivar secret fund of the Interior Affairs Ministry. As it is known, Court President Gonzalo Rodriguez Corro issued a courtesy reply to the president of the Republic regarding the request for a prompt discussion. On 11 May, the magistrates will discuss this issue and give a response.

Second, the report by the attorney general and the request by former Interior Affairs Minister Alejandro Izaguirre will be studied. The attorney general feels the case should be restored [la causa debe reponerse] and the former minister requested information, arguing that the defense did not receive legal guarantees. It is expected these requests will be responded to on 11 May by the plenum.

Third, a report will be issued determining if attorney Omar Meza Ramirez will be admitted as prosecutor of the president of the Republic and the two former ministers. We will remain here at the Supreme Court of Justice until any information from the plenum is provided.

Supreme Court Vote Postponed on Case Against Perez

PA1105174993 Mexico City NOTIMEX in Spanish
1707 GMT 11 May 93

[Excerpt] Caracas, 11 May (NOTIMEX)—The Venezuelan Supreme Court of Justice on 11 May postponed until 18 May the vote on the possibility of President Carlos Andres Perez standing trial for corruption. Meanwhile, pressure is increasing for the president to resign.

In this scenario, Defense Minister General Ivan Jimenez has gained strength, even among opposition parties, as the possible temporary replacement for Perez if he should decide to resign; this despite a rejection of such a possibility by the minister himself.

During a meeting with business personalities, which was held late on 10 May, Perez stated: "I have the option of naming a substitute to the presidency of the Republic," in case pressure against him increases in view of the historic Supreme Court decision.

Meanwhile, the Christian Democratic Party, Copei, the leading opposition party, demanded that the president stay "faithful" to his promise to step down if the court finds sufficient reason to request a trial against him for embezzlement and misuse of government funds. [passage omitted]

Further on Postponement

PA1105182993 Caracas Radio Caracas Television Network in Spanish 1600 GMT 11 May 93

[Report by Luis Guillermo Garcia at the Supreme Court of Justice in Caracas—live]

[Text] Contrary to what many had expected, the Supreme Court of Justice will not issue a decision on 11 May determining if the preliminary hearing against the Venezuelan president will proceed. Nevertheless, interesting things are happening at the Supreme Court. One of them is that Justice Carmen Beatriz Romero has been on medical leave in the United States since 10 May. She requested the leave for seven working days, in other words, five days this week and two more next week. Therefore, it is presumed she will be back in Venezuela on 19 or 20 May. This leave is interesting because it is occurring at a crucial time during discussion on whether the preliminary hearing against the president will proceed. It is also interesting that Justice Carmen Beatriz Romero requested the leave, but she indicated that she wants to be present during the vote on the preliminary hearing against the president of the Republic. In other words, no alternate will be appointed and she will be present, perhaps on 19 or 20 May.

Therefore, the most interesting news at this time is that unofficially, but from a very good source, we can state that it might not be until 20 May that the entire Supreme Court of Justice with its 15 justices, including Carmen Beatriz Romero, will issue its decision on whether the preliminary hearing will proceed against the president of the Republic, on charges of embezzlement and misappropriation of \$250 million from the secret fund.

There is another interesting thing about the handling of this case by the Supreme Court of Justice. Reynaldo Figueiredo Planchart, former minister of the Secretariat of the Presidency, and Alejandro Izaguirre, former interior affairs minister, requested to be informed of the charge against them. This is going to be discussed on 11 May by the 14 Supreme Court justices. It is believed this request will be denied. According to unofficial reports, it is very probable that the Supreme Court of Justice will judge this request unfounded and inappropriate as this is a preliminary hearing and not a trial. This is one of the reports circulating in the court. Of course, the Supreme Court will have to confirm this officially.

In addition, new Attorney General (Ricardo Ernst) introduced a motion at the Supreme Court indicating that the preliminary hearing against the president and the former ministers is contrary to law [improcedente] because it is unconstitutional as the president and the former ministers must be informed of the charges against them. This request is being handled with the request from the two former ministers.

There is yet another interesting situation. On 15 April, four days after the request from the prosecutor general, a citizen filed a motion asking that he be considered a

private accuser against the president and the former ministers. He is a lawyer and university professor named Omar Meza Ramirez. He said he wants the Supreme Court to accept him as a private accuser. The decision is up to the Supreme Court of Justice. Omar Meza Ramirez recently filed a request at the Supreme Court asking it not to respond to the letter that the Venezuelan president sent to the court. That letter is in fact the main document being analyzed by the court at this time.

Perez To Appoint Minister to Presidency if Tried

PA1105230893 Madrid EFE in Spanish 2146 GMT 11 May 93

[Text] Caracas, 11 May (EFE)—Venezuelan President Carlos Andres Perez said on 11 May that if he were to resign it would further complicate the crisis unleashed by the corruption charges against him; charges on which the Venezuelan Supreme Court of Justice will be ruling soon.

According to the government's report on an interview with President Perez by a free-lance television reporter, the chief of state noted: "My resignation, instead of resolving the problem, would complicate it further."

Perez has announced his intention to put one of his ministers in charge of the Presidency if he is subjected to a trial in connection with "embezzlement and misappropriation" charges filed by the Prosecutor General's Office.

The course of the accusation depends on the Supreme Court of Justice, which must decide whether there are reasons for trying the 72-year-old chief of state, who has been in his post since February 1989.

If the Supreme Court decides a trial should be held, the Senate, which must be heard in this regard, must confirm that decision. Otherwise, the president said, the Venezuelan crisis would become more acute.

If the Venezuelan Senate, in which Perez' party is a minority, were to authorize the trial, the president would cease to exercise his functions while the Supreme Court tries his case.

Perez, who has urged the Supreme Court to rule quickly to spare the country bigger problems, said the institution must act "with dignity, honor, and courage and declare what is lawful in the situation at hand."

The Supreme Court met on 11 May to discuss matters related to the case, but there is no report on when it will decide whether the charges against the president are valid.

Perez has said he feels like "the center of a very particular situation" but that he is neither uncomfortable because of the charges nor a victim.

Perez said he is certain he will go into Venezuelan history with an "absolutely positive" record. He noted

that the two ministers who have been accused by the Prosecutor General's Office of mismanaging \$17 million destined for secret security expenditures are "perfectly honest."

Perez said that no one has demonstrated that the secret allotment was used on matters other than those established by the law.

**Official Says Foreign Minister's Actions
'Misinterpreted'**

PA1105161793 Caracas Venezolana de Television
Network in Spanish 2350 GMT 10 May 93

[Text] Angel Zambrano, director of the Central Information Office, has clarified that the actions of Foreign Minister Fernando Ochoa Antich have been misinterpreted, judging from the statements made by Leonardo Ferrer, Social Christian Party deputy.

Zambrano added that reports circulating in the country seem to be the result of speculation, because the foreign minister has a very defined stand on his loyalty to President Carlos Andres Perez. Referring to the recent statements against the president, Zambrano added that there is a campaign of unrelenting attacks against President Perez.

[Begin Zambrano recording] I think it is important that the country observe and understand the various positions that are being adopted, as well as the efforts the president is making to save this country from the tremendous crisis in which we are involved. [end recording]

Ministers Confirm 'Subversive Wave' Exists

PA1105225293 Caracas Radio Caracas Radio Network
in Spanish 2211 GMT 11 May 93

[Report by correspondent Liliana Castano]

[Text] Interior Minister Jesus Ramon Carmona and Defense Minister General Ivan Dario Jimenez have admitted the existence of a subversive wave that is waiting for the opportunity that the current political situation offers. Let us listen to the defense minister explain the situation:

[Begin Jimenez recording] It is true. A subversive wave exists, the same one the country has always had. It is a left-wing movement, and we are trying to prevent them from achieving their objective. [end recording]

The defense minister also affirmed that he is of greater use to the country in his current post than in the Miraflores Presidential Palace seat.

Perez Interviewed on Current Situation

PA1205043993 Caracas Venezolana de Television
Network in Spanish 0100 GMT 12 May 93

[Interview with President Carlos Andres Perez by Spanish television reporter Joaquin Soler Serrano at the Miraflores Presidential Palace on 11 May—recorded]

[Text] [Soler] We greet you from the Miraflores Palace, seat of the Venezuelan Presidency. We are here today with President of the Republic Carlos Andres Perez, who has agreed to answer some questions on Venezuela's situation. Mr. President, I am pleased to see you again. As you may recall, I interviewed you on one occasion for my Spanish Television program "Basics" during your first presidential term. You had just concluded a very successful campaign with your unforgettable "Democracy With Energy" slogan. You were also visiting all areas of the country and greeting household after household. I also recall that everywhere you went you were followed by a very catchy tune that goes something like: That man really walks; he keeps going straight ahead and stands up to everything. As usual, you keep going straight ahead and standing up to everything. Perhaps standing up to too much of everything.

[Perez] [laughs]

[Soler] Just as you are doing now. At that time you decided to nationalize the oil and iron sector. You then became one of the most charismatic leaders not only of this country, but of Latin America and the world. Venezuela also seemed to have entered a giddy spiral of prosperity. Now, several years later, which by looking at you would seem that they never went by, I meet you again when your term as head of this marvelous and grand country is rapidly declining. These are crucial times, the inverse of what things were like when we first met. I find you deep in the middle of sensationalist political news, ready to face a trial by the Supreme Court of Justice. It would be the first time in Venezuela's democratic history that a president would be confronted with such a situation. That is why I would like to start with two basic questions to establish the scope in which we are going to conduct this conversation. For the benefit of the viewers and listeners tuned in, how would you describe what the Venezuelan population is thinking, feeling, and experiencing?

[Perez] We are at the beginning of a new period, not only in Venezuela, of course, but throughout the world. We have our share of work. I believe that explains everything that is happening to us. There are many issues being debated in our country, in Latin America, and in the rest of the world. The institutional structures on which our societies have developed throughout history are being questioned. I could say I was the person who dared to initiate the significant transformations our society demanded in order to catch up with the reforms that are taking place in the world. At the same time and as a result of those same circumstances, I have become the victim of those same transformations. In Venezuela, the

president of the republic was in a position where it was expected that he would pursue the country's destiny in a nearly autocratic manner. Even in democracy, the president was attributed imaginary powers as a result of the long presence of dictatorships. The first thing we did in our administration was strip the central administration of those practically absolute powers concentrated in the person of the president of the republic.

[Soler] Decentralized?

[Perez] Decentralized. On the other hand, we slowly went about stripping the central administration of those discretionary powers that gave it practically total control over all of the country's productive sectors. This has prompted some reactions. This is what was described in Spain at one time as the unfolding [destape]. That is what we have been experiencing here. Of course, I say this with concern for what is taking place because the situation has reached such a state that it could lead us to anarchy. My duty lies in how to follow this situation through, to the end without provoking any events that could corrode, ruin, or destroy the institutional foundations of our system. That is the case to which you have referred. I have been besieged by all sorts of conspiracies. There have been attempts to pressure me into resigning for various reasons. Such attempts include subversive activities, which have not ceased in our country. We still have remnants of the violent revolution which are led by bullheaded and narrow-minded people who continued to operate throughout our republican life. There are factors that are the product of the hatred, frustration, and confrontations that have existed in our political history.

Some people honestly believe the changes that have taken place have been too sudden and too spectacular, and that my departure could ease the situation. Political passions are ever-present in the midst of opposition to the government. Owing to our excessively presidentialist political system, the entire conflict of the nation has been centered on one single man: the president of the republic. That is one of our country's biggest problems.

This creates a very difficult situation for the president to handle. First, there was talk about the president's resignation. There have been two coup attempts. There has been every sort of plot we could imagine to produce my departure. I am not being facetious. I am the chief of state. I was elected for a constitutional period. I am aware of the seriousness of the changes in Venezuela. I know, and not because I have any messianic intuition, that the possibility of culminating these reforms in a satisfactory manner depends on me. Opening a clear road for the new government that will exist in the country in 8 or 10 months and consolidating this country also depends on me. That road will be based on a realistic rather than artificial economy. This will contribute further to a state transformation that will give new foundations to a society that no longer wants to depend on fate and will not accept autocratic positions of the past. That is the issue in Venezuela.

[Soler] Your response has answered what would have been my second question, which had to do with your spirits in the face of a situation such as the one you are enduring. It is obvious that you will maintain the struggle.

[Perez] Undoubtedly; it is my obligation. Right now I cannot say: Well, I have done my job; let somebody else take over. You want my resignation? Here it is. No way. I have a historic responsibility. I have to answer to Venezuela, not only for my term in office, but for the future as well.

[Soler] You spoke about continuous or successive plots. Could we say that we are witnessing the hunting down of a president?

[Perez] Yes. We have a very much used local term that perhaps makes no sense in other countries. It applies when a person is put in the middle of a violent and jumbled tug-of-war. It is called cayapa. [laughs] We could call this an institutional cayapa. The case is different now because this is no longer the case of ambitious and rebel military men who rise wrapped in the flags of patriotism to seize power. It is no longer the unemployed theoreticians of Marxism who have lost their jobs and are looking for situations they can use to promote their ancient and antihistorical theories.

This is a situation in which I must show special respect. It involves the Supreme Court of Justice. Democracy has only one dwelling and one trench: a state of law. We cannot violate that. We have to remain within it. The truth is that right now there is a matter that, if we had a perfect state of law, would be private; but it is known. A reporting magistrate has said I must be tried. The 15 Supreme Court of Justice magistrates now must meet to sponsor or deny this proposal, but that step has not been taken. Meanwhile, the idea of my resignation is weighing down on the magistrates. In other words, the president, who must protect his dignity and defend the legality of his own actions, also now must face this demand for his resignation. It has even been said that I announced my own resignation, but nothing of the sort is true. I must do my duty as president and answer to the country for my oath. Of course, I also must firmly and willingly obey the Supreme Court of Justice. At the same time, the country demands that the Supreme Court of Justice be fully responsible for its actions with all the appropriate dignity, decorum, and courage to say what the decision should be in this situation.

[Soler] It seems, Mr. President, that the public proposal was made known

[Perez, interrupting] We are facing a political avalanche, a situation with many contributing factors. The subversives have not abandoned their intention to topple the government through violence, albeit without much success in the people's minds. The subversives are in an advantageous position owing to the difficult situation and the uncertainty sure to be caused in Venezuela by

the fact that for the first time the president of the republic is facing the possibility of a trial at the Supreme Court of Justice.

[Soler] I have read remarks by the attorney general saying that the trial is illegal because you have not been previously notified of the proposal or the related documentation; in other words, you were not informed according to the law.

[Perez] Look, I could make use of the attorney general's opinion. I am concerned, however, that this process could take time. I want to remove this uncertainty from the country and the international public because we are in such a great process of economic reforms and obligations that this does great harm to the country. While we are immersed in this political debate, we could remove the foundation we have given the economy with so much difficulty. That is why I have not tried to use that opinion, according to which I have been prevented from using the defense's resources. I want the court to make up its collective mind on the matter as soon as possible.

[Soler] Apparently the magistrates will start meeting on 11 May.

[Perez] That is what I gather from the media reports.

[Soler] Mr. President, I remember there were battles on other fronts, apart from the one you mentioned about military coups and a formidable Air Force. The possibility of a recall referendum was proposed at the Congress.

[Perez] That is something else. The only thing missing was a jurisdictional action. All possible resources have been used. Congress debated the possibility of reducing the presidential term, my resignation, the same thing that has been done elsewhere, and a referendum to ask the people whether they wanted me to continue in office. All this explains the reality of the situation regarding the deep reforms we have made in the country. Perhaps you would ask me: Well, there is a sort of universal demand for you step down. If that is so, why do you not respond to this nearly unanimous cry? Perhaps it would pacify the country and lead it along the course of reform you are implementing. But that is not the case. If you look at the opinion polls you will see something interesting: My government's popularity has diminished because all this has been a very harsh blow. Many people have been complaining about a number of things, but when asked whether the president should resign, more than 65 percent of Venezuelans said no. That figure continues to increase.

This always happens. The people's intuition can never be replaced by a politician or a thinker's keenest vision. The people are able to think out what is best for their defense and their future. Therefore, I am supported by a sentiment that is independent of whether the people consider my government good or bad. They know that the democratic process and the future of this reform are totally linked to the conclusion of my mandate.

[Soler] According to these polls, the majority of the people are undoubtedly in your favor and hope that you are not tried and do not resign. That is what can be observed from the polls....

[Perez, interrupting] Besides, I am a politician—as you pointed out during your very, might I say, generous introduction to this interview—who has played a leading role for many years. I have always been in the midst of dramatic situations. The first stage crowning my initiation to political life was the struggle against guerrilla subversion. I had to face that struggle side by side with Romulo Bethancourt, the great leader of Venezuelan democracy. We emerged victorious. Nevertheless, I also was subjected to very difficult situations. When I attempted to return to Congress, the opposition Communist Party and other groups staged a mutiny to keep me from reoccupying my seat in Congress. Subsequently, during my first administration, in the middle of turbulent events, there were accusations—just like now—of mismanagement of funds for the purchase of a ship. Well,....

[Soler, interrupting] I remember, the Sierra Nevada....

[Perez, interrupting] That is right, the Sierra Nevada. Well, now a similar situation has arisen, but I am a man with great ambitions, though they are for history. I truly hope that my name will appear in the nation's history as a Venezuelan who, with all his love for his country, struggled to make important reforms. Nevertheless, for me to pass through life comfortably is not something in which I am interested nor is it important to me. Right now I feel anguish and concern due to all the confusion and maladjustments the nation is experiencing. My conscience, however, is totally clear, and I am certain that no matter what happens from now on, my name will be cleared. I am not a man to change my ideals for some fraud or swindle. I am not ambitious for money or material goods. That is what gives me great inner strength and stimulates me to face up to things, as my slogan indicated. That is because I am not afraid that any evidence can be presented at any time of what was being said all along. Regarding what has been said and what has been published, legal experts all agree that there is absolutely nothing here. For example, when we see something published in the press that causes anxiety, it is not... [pauses] stating that the president should resign. Is it not the court that decides if what is said is true or false? Instead we go back to the same thing: The president should resign. This is not possible. This attitude is seriously harming the nation, and I feel responsible.

[Soler] I am pleased to hear you, Mr. President, with your conviction that always conveys great self-confidence, self-assurance, and the level-headedness of a man who knows what he is doing. Nevertheless, let us analyze some of the aspects that have led to this crisis, for example, the famous economic package, which perhaps was a medicine much too strong for this nation, particularly for the most needy. Those sectors were used to a way of life that, to a certain extent, was largely

subsidized by a paternalistic state. It seems the economic package hit them hard. Is that right?

[Perez] That is a dilemma. Now that you mentioned the medicine, let us take as an example the case of a doctor who sees a patient and knows he can cure him. The medicine, however, is very bitter and the treatments are very painful. The patient does not want to take the medicine nor does he want to accept the treatment, but he wants to be cured. There is, then, no other choice than to leave feelings and other considerations aside and make the patient take the medicine.

[Soler] In other words, if you had to do it all over again, would you do things the same way?

[Perez] It is inevitable. I have not done anything on a whim. They have tried to portray me as if I were at the height of my ideological defections—a neoliberal, as if I have set aside my convictions and social democratic struggles to hop on the bandwagon of those who believe that the state should disappear, that the market is a lofty altar before which we must all kneel to pray. No.

[Soler] The arbiter?

[Perez] The arbiter. That is not true. I do believe we must resolve these grave problems for which we are all to blame, such as excessive state participation; excessive state growth; excessive limitation of citizens' participation, of the civilian society, and open participation of private enterprise in the generation of wealth, in investment. I do not believe, however, in a society in which the strength of the market replaces the strength of power—either one or the other. We must seek a middle-of-the-road position in which the state carries out an orientation role and lets economic forces freely play their part. In no way is this the thesis of neoliberalism it is called today.

[Soler] A group of Venezuelan economists did an analysis of the government's package and the development of your government's policy. They recognize there have been a series of measures that have been effective, but note that generally the results have not been as expected.

[Perez] Of course these opinions are subjective because one finds an answer that corresponds to the measurement he uses. The truth is that during three years—1990, 1991, and 1992—Venezuela experienced the largest economic growth, not only in Latin America, but worldwide. We had an average growth of approximately 8 percent during those three years. Unemployment was 11 or 12 percent, and it has been reduced to a little over 6 percent. In short, all macroeconomic indicators show us that the result of the policy we applied has been a veritable success. Of course, that is not all. If we place ourselves in an insensitive, technocratic position....

[Soler, interrupting] Dehumanized....

[Perez] Dehumanized, they do not tell us how the people are living. Those macroeconomic figures do not have anything to do with how wealth is distributed. That is

where the big conflict lies. Throughout history we have had vast marginalized sectors despite the apparent wealth of the state, despite the buoyant financial situation. In addition to having these great macroeconomic successes, we have achieved a social policy that is unparalleled in any Latin American country. I do not say this in regard to the effort being made by other governments or other presidents. I say it simply because we had the good fortune that in all of our bad situations we have had a very stable and important source of revenue: oil. It allowed us to carry out social programs to help the people overcome their difficulties. In the meantime, problems were resolved to expand the economy, provide jobs for everybody, and strike a balance between people's wages and the cost of living.

[Soler] Are there many people in Venezuela in a critical state of poverty?

[Perez] It has been exaggerated. Of course there is poverty, but we reduced it. Our social programs have been very comprehensive. For instance, we ensure for half the Venezuelan families—critical poverty does not reach beyond half the number of Venezuelan families; it is much less than that—a direct subsidy, which is not in danger of being redirected because we do it with lists of children in schools, neighborhoods, and villages. We put the names in a computer program and the country's private banks distribute the subsidy. The subsidy is split between cash and goods such as cereal and milk. We also have a program to assist poor pregnant women with nutrition and prenatal medical consultations. Children are cared for until they are six years old. That is important protection.

That is why in Venezuela you will not see or hear a demonstration by the jobless, a rebellion in a neighborhood. What we have had is these uprisings in the capital where subversive groups incite a few youngsters in a secondary school and then a bus or a car is set on fire. Apart from those instances, however, absolutely nothing happens here. Of course, we also have the usual strikes, as in all democratic countries, to demand higher salaries. Nevertheless, these days we have solved very difficult situations with large corporations. A collective contract was signed between workers and the country's largest oil enterprise. Everyone predicted there would be a great strike and conflict, but everything was settled through dialogue and a contract has been signed. Something similar happened in the large telecommunications enterprise. We have a teachers' conflict at present. Unfortunately, this conflict arises every two years when a new collective contract is signed, but we always find a way out.

[Soler] What about the rumor of plans to privatize the oil industry? Are they false?

[Perez] Completely. That is where we cannot agree with neoliberals. In Venezuela a large number of corporations were in the hands of the state—something absurd. This cannot be attributed to socialist or socialist-trend

governments here. Far-right dictatorial or democratic governments had the state prevail above everything else. This situation arose in a period when the state, to protect its own sovereignty, had to prevail because there was no protection against the abuses of the great international trusts. This resulted in exaggerated nationalism in our country. It was a serious mistake. Those are the kinds of things we are putting in the hands of the state. Worldwide, the state-owned oil corporation is regarded as one of the largest, yields sufficient revenue, and is doing well in the hands of the state. Should we get rid of it, no local capital could handle it; only international capital could. I think the wisest thing we can do is leave the enterprise in the hands of the state while the country develops.

[Soler] Very well, Mr. President. To finish with the economic subject, I would like to know whether there are plans to raise the minimum wage, which apparently is about 9,000 bolivares?

[Perez] That is a serious problem. When I arrived in the government...

[Soler, interrupting] I will say, to inform the people of Spain, that 9,000 bolivares is more or less the equivalent of 9,000 pesetas.

[Perez] The minimum wage was established during my first term. Before that we had an absurdly powerful currency. The bolivar was worth more than the dollar at that time. The first minimum salary established was 400 bolivares. I established that minimum in 1975 during my first term. The minimum wage when I arrived in the government for my second term in office was 2,000 or 2,500 bolivares. Now it is 9,000 bolivares. That means the minimum wage has tripled. The minimum wage is not enough because the cost of living has gone up owing to the changes that have taken place.

[Soler] And because of the devaluation.

[Perez] In addition to the minimum wage, however, workers receive fringe benefits that enhance their salaries. The workers who have the minimum wage receive food benefits. This means the real minimum wage is higher. Undoubtedly it is not a satisfactory salary, but if we compare it with the minimum wages of other Latin American countries, ours is not among the worst.

[Soler] I have seen in the major newspapers many articles critical of you, Mr. President. We cannot say there is no freedom of the press in this country.

[Perez] That is another issue. This country has gone through many shocks owing to reforms that have changed conditions. This is a country where everything was being subsidized, and all of a sudden there was an unceremonious change and the middle class began to believe that the things it had were being taken away. State structures are being strongly jolted. The president of the nation is no longer all-powerful. State governors are elected by the people, and they share power with the president of the nation. We have to be extremely flexible.

In the past, newspaper owners had to think twice before voicing opposition to the government because they could find themselves without dollars to buy paper, etc. That stopped. Newspaper editors no longer have anything to fear from the government. It is a freedom papers never had before. Sometimes when freedom appears for the first time, there is a tendency to commit abuses. I do not regret having this freedom. Freedom of expression may be abused, but how can abuses be controlled? The cure could be worse than the disease.

[Soler] You tried that after the first coup, I believe.

[Perez] No. Matters were exaggerated then. We have a natural system that is proper in the framework of our country's situations. In cases of emergencies, governments can suspend guarantees; that includes freedom of the press. Limitations can be set on freedom of the press. In countries with a high degree of democratic development, it can be done only in times of war. In our case, these limitations are permitted when there is domestic turmoil, but there is absolute freedom here.

[Soler] You almost had war here. Both coups were very rough.

[Perez] Very rough.

[Soler] You have survived incredible perils. First there was the notorious jolt of 27 and 28 February, and then the one from which you miraculously escaped. We do not quite know how you did it. You were here when the bombing took place.

[Perez] I was here. I was surrounded by tanks, but I was able to leave. I decided it was necessary to go to a television station and address the nation to resolve the coup problem.

[Soler] This sounds like a movie.

[Perez] I had to resist the bombing here. Several bombs fell here on the 27th.

[Soler] From the outside it looked like a war film.

[Perez] Right. I am not a film hero. I am a Venezuelan who was given certain responsibilities at a very difficult moment in the country's history and who is prepared to see them through calmly and with an unperturbable will to serve.

[Soler] The pretrial situation is confusing. All Venezuelans know this issue well, but Spaniards and people from other countries could find it too confusing. We have to explain to them that you are being charged with managing some funds in a criminal fashion, the funds called the secret allotment. Right?

[Perez] Yes.

[Soler] I think the secret allotment is for 250 million bolivares?

[Perez] The situation is clear. This, like all other governments of the world, must enjoy trust so it can use its own discretion to handle certain expenditures that pertain to state security.

[Soler] National and international security.

[Perez] It is a basic trust that a chief of state must enjoy. The president does not directly handle expenditures or money. Presidency money is not managed by the president. The Secretariat of the Presidency Ministry handles that. The president cannot be accused of misappropriation because he never handles public expenditures. He cannot be accused of embezzlement either because he does not handle any expenditures. Presidential expenditures are managed by the Secretariat of the Presidency Ministry.

However, in a presidential government, the president appoints, theoretically speaking, even the doormen. If you look at the gazette, just out of curiosity, you will find some note saying: So and so has been appointed doorman on an order from the president and on a resolution from this office. Everything is done on orders from the president. The argument is that an adjustment was made to a budget allotment. A certain amount of money was available. The president, on a request from a given minister, may, during a cabinet meeting, order that an allotment be increased by taking funds from an adjusted allotment in the budget. The Interior Ministry, which handles the secret funds, calls, through the Finance Ministry, for an adjustment, and the president, during a cabinet meeting, may authorize the adjustment.

There is no evidence that the allotment was used on objectives other than on suitable expenditures. It cannot be said that this money was spent on this or that matter. So far there is no reason for pointing at anyone. There is no charge that this or that money was spent on this or that thing.

The president could be found responsible for authorizing an allotment adjustment. That means that if I authorize an allotment to have a building built and the people working on it steal the money and do not do the job, the president is responsible because he authorized the allotment.

[Text] [Soler] Are you responsible for everything Venezuelans do?

[Perez] Exactly. [chuckles] This is no longer a legal problem. Fortunately, if you watch the media, aside from those who give their political opinion on this, no lawyer has said there is any reason for this. That makes me feel very much at ease. In addition, I am sure that the ministers who are being accused are ministers whose honesty cannot be doubted. In the specific case of the interior affairs minister, who the law directly entrusts with handling the secret fund, he has said: I handled this fund, and I handled it as I should have.

[Soler] If the fund is secret, does that mean it is excluded from all accounting controls?

[Perez, interrupting] Absolutely.

[Soler] And the people need not be told how the funds were spent?

[Perez] What is more, the law actually forbids anyone to divulge how the funds are spent. It is considered a crime.

[Soler] That is very, very strange; it is a catch-22.

[Perez] Exactly. That is it, a catch-22. The president is asked to say how the minister spent the money. The president has to reply that the law forbids him to divulge this. Furthermore, these are secret expenditures that may have other implications if it is revealed how the money was spent.

[Soler] It thus appears that the pretrial will be a very polemical one?

[Perez] Of course it is very polemical, and we face a political situation, an absolutely political situation. Of course, as I said at the beginning, I must be respectful and sincere toward the Supreme Court of Justice. They must know how to assume their responsibility and work within the law. I cannot make any advance judgments that in one way or another may raise doubts as to the magistrates' honesty. That is the basis of our state of law. I can say, however, that this personality of mine, which has been built amid all these struggles and difficulties, will not be affected by this situation. This will be clarified sooner rather than later.

[Soler] If the Supreme Court of Justice said a pretrial was necessary, it seems to me you would have three alternatives according to the Constitution. Right?

[Perez] The Constitution... [pauses] It is clear this has to go before Congress.

[Soler] Has to go before Congress?

[Perez] The Senate must decide whether it accepts the Supreme Court of Justice's decision. The same powers the Constitution bestows on the court to determine the pretrial it also bestows on Congress, the Senate, to decide the opposite. I would say this, however: I am sure the best thing would be that if the Supreme Court of Justice says there are grounds for a pretrial, Congress should accept that. Otherwise a worse situation would emerge amid the crisis that we are already experiencing in Venezuela if I were to remain in power because Congress would have decided that the Supreme Court of Justice was not valid.

After Congress makes its decision, then comes the pretrial. The Constitution states that the president is then temporarily suspended from the Presidency until the trial takes place. Thus, that is the route to follow. The Constitution states that in the event of a temporary

presidential absence, the president is to appoint the minister who will replace him. A minister would remain...

[Soler, interrupting] In other words, you can resign and appoint a substitute?

[Perez] Pardon. I would be suspended in the hypothetical case that the Supreme Court of Justice decides there are grounds for a pretrial and that Congress approves it as well. I then would leave a member of my cabinet in charge of the Presidency until a ruling decides whether or not I am guilty. Of course, a president has a right to present his resignation, but it seems to me that far from resolving the problem it would further complicate matters.

[Soler] Do you feel your party has supported you during all these incidents?

[Perez] Of course. Here we also have a very confusing situation regarding the parties' position. We mentioned at the beginning that we are living in a crisis, a deep crisis that embraces all the country's institutions. Venezuelan political parties are in a crisis, just like the European parties and all other parties in the world.

[Soler] Crises gallop the world over.

[Perez] It is because we are facing a change of season.

[Soler] The end of the millennium.

[Perez] Exactly. The political parties at this moment face a very negative public opinion with many internal splits. This has diminished their capacity for leadership and they have become a sort of archipelago; one could call it archipelagization [archipielagizacion].

[Soler] You have invented a very difficult term.

[Perez] It is difficult to pronounce: archipelagization.

[Soler] That is it.

[Perez] Fine. This sometimes results in apparent confusions in their instructions. In addition, today we have media that have begun a sort of interpretative journalism with each making its own story. We do not necessarily think this is intentional, but headlines are accommodated to the particular story. Today, in this hurried lifestyle, people often read nothing more than the newspaper headlines. That causes confusion. Undoubtedly the parties responsibly maintain their essential loyalty.

[Soler] Sometimes the text of the story has no connection with the headline.

[Perez] Absolutely no connection. This goes for you: The lawyers say that a confession renders the need to show proof unnecessary.

[Soler] Sometimes I will read something and I cannot understand who drafted the headline because it appears as if it were a different person. I read an article of a

colleague of mine, Rafael del Naranjo, who says that you are seen as a bullfighter who, when the supreme moment arrives, is very much alone, completely alone, and you have in front of you a huge bull the size of a cathedral.

[Perez, interrupting] And with a bullfighter's cane [muleta].

[Soler] With his bullfighter's cane.

[Perez] [chuckles] I read the article. He is a very intelligent journalist, Rafael del Naranjo. I felt moved in a certain way. Everyone knows that I love bullfighting. I believe it is one of the big celebrations, and I see hypocrisy in those who criticize bullfighting, but fail to criticize the millionaires or the people who go fishing.

[Soler] Or people who kill dolphins.

[Perez] Yes, and who kill dolphins. I like bullfighting, and it is a celebration that can serve as a comparison to many life situations and activities. Politicians are always facing a bull or a difficult decision.

[Soler] I hear a telephone ringing right now, and I ask myself if during these times of crisis you have noticed any of your comrades in 1,000 battles of world politics who may have called to find out how you are doing? Do you notice their support?

[Perez, interrupting] Of course. I have the satisfaction that my participation has been so frequent, clear, and neat that people and my friends have confidence in me and know what motivates my actions.

[Soler] You were contacted by Spanish Prime Minister Felipe Gonzalez?

[Perez] I do not believe it would be appropriate for me to ...

[Soler, interrupting] I am merely asking you.

[Perez] Well, I have a permanent relationship with all of them.

[Soler] I know that you are both friends. Is that right?

[Perez] He is one of my friends, and I admire him very much. He is having some very difficult times, just as I am.

[Soler] What is the current situation regarding Venezuela's external debt?

[Perez] Well, this is one of the administration's first successes. During the first year of my administration we were able to obtain a very good renegotiation. When I say very good, I am not expressing any special satisfaction because I continue to believe that the terms under which the developed nations are conducting economic relations with our countries are not entirely fair. Special interests predominate in this relationship. Most of all, there is also a great contradiction in our relationship in that while we are being forced to open our economies

and religiously repay our debt, the prices of our export raw materials are being manipulated. The developed nations tend to talk of market freedom, and they call on us to open our markets, yet they use numerous subterfuges to continue with their protectionism. There are still some very great obstacles. Nevertheless, we were able to obtain an extraordinary refinancing, which is what allowed the economic opening we have been able to accomplish as well as the positive results in our economic policies.

[Soler] Can you recall the current amount of the Venezuelan foreign debt?

[Perez] Well, I can tell you that despite the fact that we have been forced to continue buying back our debt, I can say that it is less than when I took office. That is very significant because it reflects the success we have had in managing our external debt program. There is something else just as important which we also must consider. The serious problems we have been having and which nearly destroyed our reform project lie in that one part of the reforms, specifically tax reforms, proposed since 1990 has not yet been enacted, yet the price of crude oil has fallen. Fortunately, the people's disposition, the business community's belief that we must forge ahead, and the confidence of our overseas investors is what saved us. During 1991 the Venezuelan state received \$10.5 billion in taxes paid by Venezuelan Petroleum. At most, the state will receive \$6.5 billion during 1993. That represents a \$4.0-billion decrease in revenues from one of the country's basic resources. It is evidence of the problems we are having and the fiscal deficit we currently face. On the other hand, it has been impossible to change our tax system. For example, tax volume in Europe represents 40 or 50 percent of the each of the countries' GNP. In Latin America it represents an average of 15 or 20 percent. In Venezuela tax volume represents a mere 3 percent of GNP. Another problem we had here is that practically no one paid taxes. Utilities and other services were practically given away. We had to carry out a public service revaluation for this country to continue operating. This also allowed Venezuela access to enter the international financial system and obtain the loans we were able to get from the IMF to sustain our international reserves. It also allowed us to obtain loans from the World Bank and the Inter-American Development Bank to continue implementing significant measures in the country's transformations. We are undertaking great projects in this country. The country has grown tremendously.

[Soler] I am being told that we have only three or four minutes left. Let us try to discuss a couple of things briefly. For instance, what will happen to the military personnel involved in the two coup attempts of 4 February and 25 November?

[Perez] What happens to persons who commit crimes in any country of the world?

[Soler] They wait for their trial.

[Perez] They are tried and sentenced in all our countries. They may later get pardons. Congress and the president of the republic are empowered to do that, but the important thing is that these soldiers who have committed the most serious crime a soldier can commit, aside from high treason, must be punished and must serve their sentences.

[Soler] You have democratized Venezuelan democracy even more by increasing the people's participation in the last municipal and gubernatorial elections. The first steps for uninominal voting, which the people have been demanding for a long time, have been taken. Has that ...

[Perez, interrupting] What is more, during a memorable speech I delivered upon becoming a candidate for the presidency of the republic, I proposed these reforms as one of my government's objectives. I thus have the satisfaction of advancing not only in economic but also in political reform.

[Soler] However, it is said that bipartisan rule is now being questioned.

[Perez] There has been bipartisan rule here, but not because of legal reasons. Bipartisan rule was imposed by the country, and it continues to be so.

On 6 December 1992 we held elections for governors and mayors, and all the subversive and opposition groups argued that the Democratic Action [AD] party and the Social Christian Party [Copei] had lost their standing. However, in those elections, 85 percent of the votes cast were for AD and Copei. Therefore, the people continue to believe in these two great organizations.

[Soler] My penultimate question: Do you think you are being unfairly persecuted?

[Perez] I have never liked playing the role of victim, even though some have often tried to pin it on me. I do not think I am being persecuted, either fairly or unfairly.

[Soler] Allow me to rephrase my question. Do you feel innocent of the charges leveled against you?

[Perez] Absolutely. Furthermore, I feel as if I am the center of a very particular situation in the country for which someone must be the object or scapegoat. I play the role gladly, not as a victim, because I know I am working for Venezuela's future, but because my ambition is to go down in history, whatever is not recognized today will be known tomorrow. Of course all the virtues I may have will be accompanied by a number of defects, omissions, flaws, and errors, but I am sure that the balance is absolutely positive, and above all, that I have never been driven by any ambition other than serving the country. Everyone knows I do not spend my time enjoying the presidency of the republic, but working at the presidency of the republic; that I spend many more hours here than any Venezuelan spends at his workplace because the magnitude of my duties forces me to do so. That pleases me, makes me happy, and I am sure the Venezuelan people recognize this.

[Soler] Thank you very much, Mr. President. Good luck and fight that bull.